

Swellendam Municipality

Annual Report 2013/14



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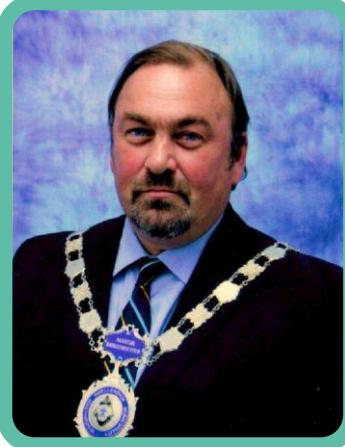
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Chapter 1: Executive Summary

CHAPTER 1

COMPONENT A: MAYOR'S FOREWORD



As the Executive Mayor of Swellendam Municipality I am pleased and honoured to present our Annual Report for the 2013/14 financial year.

Vision:

This document reflects on the performance of the past financial year and provides valuable information to all stakeholders and the community at large. It will help the user understand the organisation's performance amidst various challenges of the past year, and also serves to indicate pre-determined areas for improvement.

This report illustrates the fact that Swellendam Municipality has significantly improved its performance at various levels over the last year and is indeed compliant with the stipulations of Section 46 of the Local Government: Municipal Systems Act 2000, (Act 32 of 2000) and Sections 121 and 127(2) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003).

The council adopted the following strategic objectives for the 2013/2014 financial year:

- To enhance access to basic services and address maintenance backlogs
- To create a safe and healthy living environment
- To develop integrated and sustainable settlements with the view to correct spatial imbalances
- To enhance economic development with the focus on both first and second economies
- To promote good governance and community participation
- To create a capacitated, people-centered institution
- To improve our financial viability through sound financial management

Furthermore, the following specific strategies have been approved by council:

- Implementation of a Communication Strategy and Policy
- Improved Customer care;
- Implementation of a LED Unit and Policy
- Cascading down of PMS;
- Procedures and policies to reward staff for excellence in the workplace;
- To address infrastructural inadequacies in order to better accommodate and encourage development and investment;



Chapter 1: Executive Summary

- Enhancement of revenue and all other municipal resources;

Our performance delivery on the strategic objectives for the period under review is clearly cited in Chapter 3 of this report.

Key Policy Developments

The long term development priorities for our country is laid down in the National Development Plan (NDP) which is aimed at the period leading up to 2030. The NDP directs the municipality's integrated development plan for the period ending in 2017, one year after the next local government elections. The Integrated Development Plan (IDP) has a five year life-span. The IDP is aligned with the NDP's vision on a local level and therefore compliments the Municipality's core responsibilities.

The council has escalated work on the development of the Spatial Development Framework and the Human Settlements Plan during the 2013/ 2014 financial year. We are grateful for the valuable support we received from the provincial government in this regard.

Administrative capacity

All senior managers' posts were filled during the year which has brought about remarkable improvements against the background of vacancies and instability within the administration over the preceding two to three years. It is regrettable that one of the newly appointed directors resigned after three months but this post will be filled early in the 2014/ 2015 year.

Good Governance

In what represents a "first" for the municipality we established a Municipal Public Accounts Committee (MPAC), as well as a "Section 32" Committee. The MPAC is tasked with the responsibility of drafting an oversight report on the Annual report.

The "Section 32" Committee dealt with a range of long-outstanding issues related to unauthorised, irregular, fruitless and wasteful expenditure. These interventions hopefully closed the chapter on the irregularities of the past.

The Audit and Performance Audit Committee has also been re-established and has met quarterly to give advice and recommendations on certain aspects of municipal activities.

Another "first" for our Municipality is the establishment and capacitation of the Internal Audit and Performance units during the year.



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Key Service Delivery Improvements

The main infrastructural and service delivery priorities relates to the completion of the Klipperiver Waste Water Treatment plant and the upgrading of the Swellendam water purification facility. Once these are completed the municipality can accelerate strategies for economic development and improved service delivery.

As part of our "Upgrade of Informal Settlement Plan" a total of 155 low-cost houses were completed in the first phase of 270 in Railton, Swellendam. This project was one of the first in the Western Cape to benefit from the new norms and standards set for low-cost housing, and represents a significant improvement in the living conditions of low-income households. Interesting statistics on services can be found in chapter 3 of this report.

Other achievements of the past year that deserves to be mentioned were:

The Auditor-General presented us in January 2014 with a special award for *"The Most Improved Municipality in the Western Cape"* which came in the wake of an Unqualified Audit Report for 2012/13 after multiple Disclaimers in the preceding years!

The Municipality also received an award from the Provincial Government for the *"Most improved Integrated Development Plan in the Western Cape"* on 5 December 2013.

Our Library in Barrydale received the Provincial Government award for *"Best Small Library in the Western Cape"*.

Public Participation

Public participation has been boosted by the establishment of the Swellendam Municipal Advisory Forum (SMAF) which involves all societal stakeholders in addition to ward representatives in the various IDP and Budget processes.

A number of ward committee and community meetings were also held throughout the municipality.

Future Actions

Maintaining an Unqualified Audit

Maintaining our status on a Unqualified Audit, and working to improve on it, will undoubtedly be a priority for the Council in the current and subsequent financial years. We will remain focussed on sound processes and procedures, improving internal controls, enhancing good governance, and ensuring legislative compliance.



Chapter 1: Executive Summary

Sustained service delivery

The objectives of the municipality clearly underline the importance of sustainable and affordable services to all. We will endeavour to improve service delivery and to ensure that we deliver within our mandate and within our means.

Conclusion

I wish to convey a special word of thanks to those countless individuals and organisations that continue to contribute in a constructive manner in order to make Swellendam Municipality a better place to live, work and play. My sincere thanks to our various partners and stakeholders for their participation and support during the 2013/14 financial year.

The success of the Swellendam Municipality is as strong as the relationships that we can build, the partnerships that we can forge, and the selfless contributions and sacrifices that people make. A solid foundation has been laid. Let us now build on our strengths and collectively address the challenges so that Swellendam Municipality can attain its vision of "*Shared prosperity through co-operative participation.*"

My gratitude and appreciation also goes to our staff under the dedicated and experienced leadership of the Municipal Manager and his very able and highly professional senior management team. Their commitment, perseverance and sheer hard work is systematically lifting our Municipality to a higher level. Long may this continue!

**NICHOLAS MYBURGH
EXECUTIVE MAYOR**



Chapter 1: Executive Summary

COMPONENT B: EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview



The 2013 – 2014 financial year of the Swellendam Municipality will probably go into the history of Swellendam as the most rewarding year in recent times.

This financial year was preceded by the greater part of three consecutive financial years of instability (both political and administrative), financial chaos, disclaimers by the Auditor General, community dissatisfaction with Governance and a very negative perception by the broader public including other spheres of Government.

The challenges that the municipality faced were too numerous to elaborate on each one in detail.

However, there are a few that are worth mentioning.

Problem areas:

- Institutional instability

First of all, there was no fully fledged management team in place. This was a major stumbling block in that there was little strategic direction, discipline was at a low ebb, productivity needed to be stepped up and coupled to this was the fact that, due to financial constraints, the most critical vacant posts could not be filled.

- Political instability

As a result of the replacement of a proportional representative by the coalition party of the ruling party, the municipality was plunged into political chaos and serious community protests which lasted for several months in the year under review.

- Financial unviability

The municipality was faced with serious cash flow problems with an absentee Director of Financial Services for a major part of the financial year. This in itself was extremely detrimental to any grain of hope that may have existed, to change the situation around.



Chapter 1: Executive Summary

The situation became so bad that National Treasury together with Provincial Treasury and Swellendam Municipality introduced a Financial Recovery Plan in an attempt to salvage the situation. This plan was operational for the duration of the year under review.

Highlights:

Administrative Stability

A complete management team was established, a number of critical vacancies were filled, policies and procedures were put in place to streamline the administration. Discipline was re-established and productivity stepped up.

Financial Turn Around

The cash flow situation of the municipality has taken a dramatic turn for the better to the extent that creditors could be paid when payments were due.

The municipality received an unqualified audit report for the second consecutive year. The Municipality was awarded by the Auditor General for the most improved municipality in the Western Cape on 31 March 214 for the 2012 / 2013 financial year.

Furthermore, the number of informal audit enquiries was reduced from 110 in 2012 / 2013 to 47 in 2013 / 2014 financial year. This resulted in a significantly reduced management letter. A new term that surfaced in audit / financial circles, is a "clean audit". Several municipalities in the Western Cape received a clean audit, while some received unqualified or qualified audit reports. The Swellendam Municipality's audit report does not imply that the financial position of the municipality is "not clean". On the contrary, it means that very minor compliance issues prevailed. Having said that, most of the audit queries dating back to 2008, have been resolved to the satisfaction of the Auditor General.

The Financial Recovery Plan, which was put in place to steer the municipality away from its former putrid financial position, has also been lifted as a result of the much improved financial position of the municipality.

It must be noted that there was no Internal Audit Unit in place until February 2014 and as a first an Audit Committee was fully operational for the entire year. The municipality's pre-determined objectives and the overall performance of the municipality was audited and found to be "clean".

Excellence

Another highlight is an award of Excellence received from the Department of Local Government and Planning for the most improved Integrated Development Plan. This award was received on 31 December 2012 for the 2012 / 2013 financial year. This implies that the way the municipality involves its communities in the affairs of the municipality has improved quite remarkably.



Chapter 1: Executive Summary

The general perception in the public domain is one of satisfaction of the direction and the speed at which the municipality is turning around.

Therefore, I am very satisfied with the progress made in the municipality within a short-space of time.

This can be attributed to the following:

1. A very professional and committed management team.
2. A disciplined and hardworking workforce.
3. A stabilising political team.
4. An understanding and co-operative community and business sector.
5. A supportive Provincial and National Government.

My sincere thanks to all role players who tirelessly and selflessly worked towards the change we are seeing today.

With perseverance and commitment we can continue to take this municipality to greater heights.

CECIL AFRICA
MUNICIPAL MANAGER



Chapter 1: Executive Summary

1.2 Municipal Overview

1.2.1 Vision and Mission

The Swellendam Municipality committed itself to the following vision and mission:

Vision:

"A visionary Municipality that strives towards prosperity for all through cooperative participation and high quality service delivery"

Mission:

It is envisaged that the municipal vision will be achieved through:

- *Providing a transparent and accountable government by rendering affordable and sustainable services and encouraging economic and social development through community participation*
 - *Transparent institutional and infrastructure development*
- *Sustainable local economic development and the establishment of public/private partnerships*
 - *Governance for the people by the people*
 - *Service delivery through integrity*

1.3 Municipal Functions, Population and Environmental Overview

1.3.1 Population

a) Total Population

The table below indicates the total population within the municipal area:

Population	2001	2011
	28 285	35 523
Source: Stats SA Census, 2001 & 2011		

Table 1.: Demographic information of the municipal area – Total population



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b) Population profile

Age	2001			2011		
	Male	Female	Total	Male	Female	Total
Age: 0-9	2 866	2 726	5 592	3 157	3 113	6 270
Age: 10-14	1 383	1 373	2 756	1 567	1 555	3 122
Age: 15-19	1 233	1 251	2 483	1 569	1 477	3 046
Age: 20-24	1 061	1 016	2 077	1 582	1 477	3 059
Age: 25-29	1 210	1 201	2 411	1 465	1 486	2 951
Age: 30-34	1 158	1 194	2 352	1 302	1 172	2 474
Age: 35-39	1 169	1 125	2 294	1 243	1 330	2 573
Age: 40- 44	949	980	1 929	1 215	1 239	2 454
Age: 45-49	748	753	1 501	1 219	1 257	2 476
Age: 50-54	615	631	1 246	980	1 017	1 997
Age: 55-59	473	499	972	817	763	1 580
Age: 60-64	406	437	843	630	664	1 295
Age: 65-69	340	361	701	437	513	950
Age: 70-74	259	267	526	316	396	711
Age: 75-79	134	169	303	206	259	465
Age: 80-84	72	115	187	120	177	297
Age: 85+	36	74	111	66	129	195

Source: Stats SA Census, 2001 & 2011

Table 2.:Population profile

Population - Racial	2001			2011		
	Male	Female	Total	Male	Female	Total
African	1 442	1 117	2 559	2 550	1 904	4 455
Coloured	10 119	10 249	20 368	12 027	12 689	24 716
Indian	28	31	59	65	48	113
White	2 522	2 777	5 299	3 008	3 232	6 239
TOTAL	14 111	14 174	28 285	17 650	17 873	35 523

Source: Stats SA Census, 2001 & 2011



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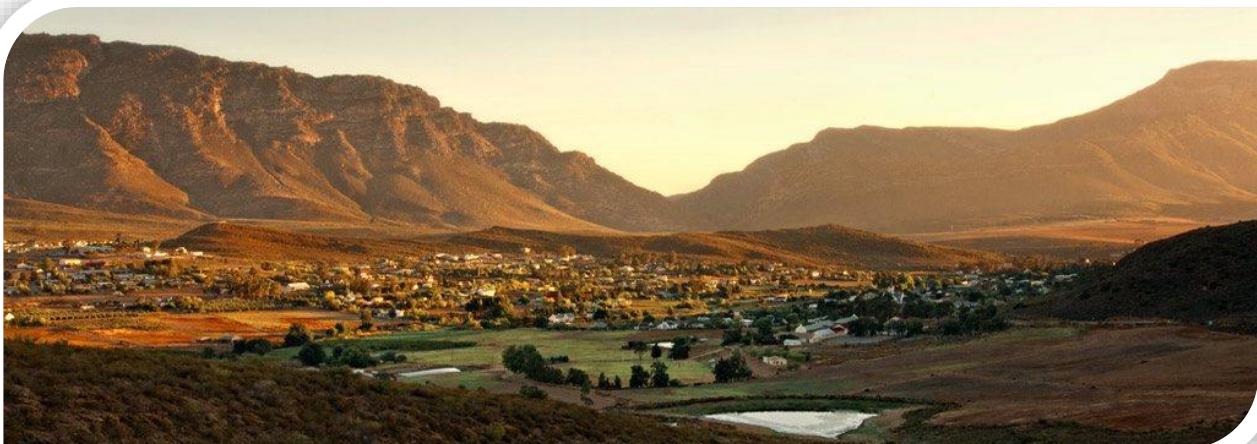
1.3.2 Households

Households	2012/13	2013/14
Total number of households in municipal area	8 517	7 373
Number of indigent households in municipal area	1 611	1 754

Table 3.:Total number of households

1.3.3 Demographic Information

Municipal Geographical Information



The Swellendam Municipality has been classified as a Category B municipality, and was proclaimed as a local municipality with a mayoral executive system combined with a ward participatory system. The Swellendam Municipality is deemed to be a low capacity municipality, and shares executive and legislative authority with the Overberg District Municipality. The municipal area is demarcated into five wards.

Swellendam, which is situated in the Overberg District, is well known for its location at the foot of the Langeberg mountain range and is seen as the gateway between the Overberg and the Eden Districts. The Swellendam Municipal area is the second largest municipal area in the Overberg region and covers a geographical area of 3001. 091 km². The greater Swellendam Municipal area comprises of the town of Swellendam and the villages of Barrydale, Suurbraak, Malagas, Buffeljagsrivier, Wydgeleë (Ouplaas), Akkerboom (Op de Tradouw), Infanta and Stormsvlei. Swellendam is linked with other urban and rural areas mainly through the N2 National Road. The area is also served with the main railway line which links Cape Town with the Garden Route. The R324 links Swellendam with Barrydale through the well-known



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Tradouw Pass. The R62, a road which has now also become a well-known tourist route, links Barrydale with Montagu and Oudtshoorn.

The R60 links Swellendam with towns like Ashton, Montagu and Robertson and forms an important link between the N1 and N2 tourism routes. The towns of Swellendam and Suurbraak have a rich historical and cultural heritage. In Swellendam many old buildings dating back to the 18th century can be found. Suurbraak is an old mission station near the foot of the Tradouw Pass and its origin dates back to 1812. The climate for the Swellendam area is warm during the summers with summer rains and very wet winters. Rainfall is spread over the year and ranges between 55% in winter and 45% in summer.



Wards

The municipality is structured into the following wards:

Ward	Areas
1	Swellendam and Rural areas of Stormvlei and Nootgedacht
2	Barrydale, Smitsville, part of Suurbraak, Vleiplaas and rural areas surrounding it
3	Buffeljagsrivier, the largest part of Suurbraak, Mullersrus and Malagas/Infanta
4	Part of town of Swellendam and part of Railton
5	Part of town of Swellendam and part of Railton

Table 4.:Municipal Wards



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Below is a map that indicates the Municipal Area:

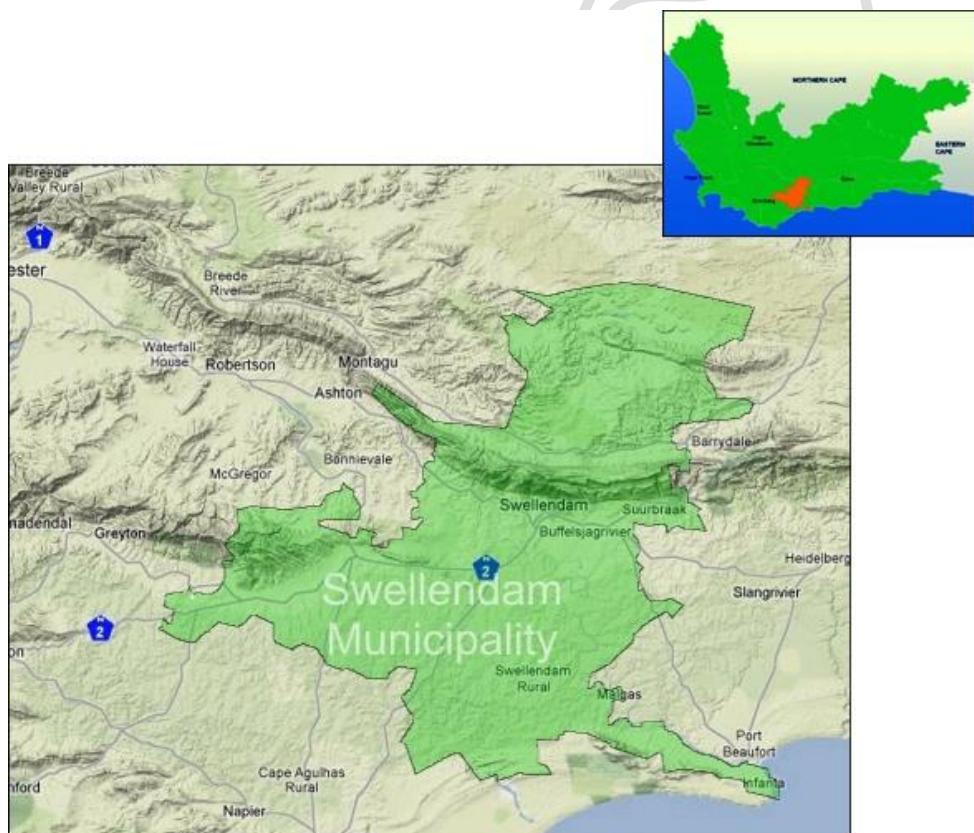


Figure 1.: Area map

TOWNS

Swellendam

Early travellers and explorers who visited the Cape in the 1500's traded with the Khoi-khoi people who lived on these shores. When the Dutch East India Company established a replenishment station at the Cape in 1652, trade continued inland as far as Swellendam.

In 1743 Swellendam was declared a magisterial district, the third oldest in South Africa, and was named after Governor Hendrik Swellengrebel and his wife, Helena Ten Damme.

This outlying settlement soon became a gateway to the interior, and was visited by many famous explorers and travellers including Le Vaillant (1781), Lady Anne Barnard (1798), Burchell (1815) and Bowler (1860). In time, a village was established opposite the Drostdy,



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where artisans including numerous wainwrights and traders settled. To travellers and explorers, the services of the village folk were indispensable, as Swellendam was the last outpost of civilization on the eastern frontier.

By 1795 maladministration and inadequacies of the Dutch East India Company caused the long-suffering burghers of Swellendam to revolt, and in 1795 they declared themselves a Republic, but this was short-lived due to the occupation of the Cape by the British. With the arrival of British settlers in the early 1800's the Overberg boomed, and its capital, Swellendam, was soon the heart of the famous mercantile empire of Barry and Nephews, created by Joseph Barry.

By the middle of the 19th century, the eastern districts had been colonized by the British settlers and Swellendam was a thriving metropolis. The town served as a useful refreshment station on the long, slow journey up the coast. Today Swellendam is a flourishing agricultural area, and has many attractive and historic buildings which serve as a reminder of its exciting past.

The first known sketch of Swellendam was of the Drostdy, by Johannes Schumacher in 1776, when he accompanied the son of Governor Swellengrebel to the town.



Today the Drostdy forms part of a museum complex that consists of several heritage sites.

Buffelsjagsrivier

Buffelsjagsrivier is situated in the Western Cape, South Africa. It is a small town but it is quiet and charming and a great way to get away from the busy city lifestyle. The mountains are magnificent and add character and offer spectacular scenic views.



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Suurbraak

The dappled shadows cast from the Langeberg mountains bathe the tiny village of Suurbraak, sheltered by the giant oaks, while the Buffeljachts River flows gently beside it. This beautifully situated village, formerly called Zuurbraak, is at the foot of the Langeberg mountains, on the southern end of the Tradouw Pass about 5km away. Only 19km east of Swellendam, and only 10km off the N2.



Zuurbraak means 'sour brake', or the thicket racket ferns that still grow plentifully in the wetland area or Xairu, meaning heavenly place or paradise. The first inhabitants of the area were the Attaqua tribe of the Quena people, and the town today lies on their ancient trade routes. The kraals (settlements) of these trading people possessed such natural beauty that they called it Xairu, meaning 'beautiful'. The earliest Dutch cattle traders translated the name as 'paradise'.

Suurbraak was established as a mission station in 1812 by the London Mission Society and later in 1875 taken over by the 'Algemene Sending Kerk'. The original church, parsonage and school date back to 1828 and the cluster of cottages, which line either side of the road was constructed in 1883.

Barrydale

The region was referred to as Kannaland on a map produced in 1843, this name being derived from the genus, Kanna. This area has a higher rainfall than the Karoo, which gave rise to permanent populations of Quena or Hottentot people of the Attaqua tribe in the low lying floor of the valley and to the Bushmen / Khoisan, who inhabited the mountains.



The Attaqua had a path, parts of which are still visible today, through the Langeberg, which followed the deep, and steep, ravine known as the Tradouw Poort. Tradouw is a Hottentot word meaning "the women's poort or footpath". The Attaqua had kraals on "the other side" of the mountains, round the village now known as suurbraak, known by them as xairu, meaning beautiful.



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Early visitors were Isaac Schrijver and his party, who were sent to this area in 1689 by Simon van der Stel and Lady Anne Barnard, who travelled in the Overberg and Little Karoo in 1798.

After 1700 the settlers attracted to the remote corners of the Overberg, began searching for new land to farm. It began searching for new land to farm. It had to have an ample supply of water and the soil had to be fertile.

The area around Barrydale was particularly desirable.



The pathways and tracks through Tradouw Poort proved to be steep for them to be turned into wagon routes and the journey via Cogman's Kloof was both tedious and time consuming for those wishing to sell their produce in Swellendam. In 1867 plans were made for the construction of a road, to be built by convicts, through the Langeberg linking Swellendam and what is now the village of Barrydale.

In time the farmers who settled on the lands in the valley at the top of the Tradouw Pass decided they wanted their own church and the chosen spot was at the point where the R62 and R324 meet. Thus the village owes its existence to both a church and crossroads.

In 1878 land was purchased from the Coller brothers and the Dutch Reformed Community of Barrydale came into being on 8 September 1880, prior to which it had been under the jurisdiction of Swellendam.

The village was named after James Barry, an early settler in the Overberg, who was not only a trader but acted as lawyer, agent and auctioneer, deputy sheriff and commandant of militia. He became a member of the legislative Council when representative government was granted to the Cape in 1854.

In the early days of Barrydale there was a little in the village apart from nagmaal houses used by the farmers coming to the village to attend church. However, there was a school.

After the collapse of the "Barrydale Empire", William Sterner, who arrived as a "smous", became Barrydale's financial success story owning the general dealer shop, the hotel, the draper's, the shoemaker's and the gunsmith's. Barrydale grew over the years and by 1921 the Municipality was established. The Barrydale Koöperative Wynkelder was formed in 1940 and distillery set up. The farmers were encouraged to plant vineyards, and orchards, growing fruit for canning and export.



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Barrydale, like all little Little Karoo villages, has known times of hardship and prosperity. Today is the centre of a prosperous farming district, it enjoys perfect year round weather and its wonderful scenic setting attracts a steadily growing number of visitors.

1.4 Service Delivery Overview

1.4.1 Basic services delivery performance highlights

Highlight	Description
Swellendam Water Treatment Works (WTW) (MIG Project)	The project commenced in 2013/14 and is expected to be completed in December 2014. The capacity will then be 7ml/day to stimulate growth and development.
Klippe Rivier Waste Water Treatment Works (WWTW)	Project nearing completion, with only one outstanding phase (the Breede River effluent pipeline)
The master plan for the area in the supply of electricity were completed.	The master plan for the supply of electricity has been completed June 2014 and will address the problems identified.
The rehabilitation of landfill site	The rehabilitation of landfill site is currently in progress and is due for completion by the end of September 2014
Railton Housing Project	155 houses were completed of the first phase of 270 and final total of 421. During the implementation of the top structures, the national subsidy norms and standards were improved. This project is one of the first in the Western Cape to benefit from this standard.

Table 5.:Basic Services Delivery Highlights

1.4.2 Basic services delivery challenges

Service Area	Challenge	Actions to address
Engineering	There is a shortage of personnel to do the day to day maintenance works as well as limited trained personnel in Engineering Department.	The appointment of additional personnel and training should be provided
Engineering	The municipal vehicles is currently in a poor conditions and need to be replaced as soon as possible as it influences service delivery and also poses a safety hazard.	Regular maintenance and investigate the possibility of replacing vehicles.
Electricity	The master plan has not been implemented.	Implement the master plan to address key issues/problems.
Electricity	The high percentage of electrical losses.	The development of an action plan to reduce electricity losses.
Waste Management	Upgrading of existing refuse transfer stations	Transfer station needs to be upgraded and it must be budgeted for in the short term.



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Service Area	Challenge	Actions to address
Housing	Balancing the need for new housing with the limited accessible land is an ongoing challenge.	The Municipality has developed a Human Settlement Plan that identifies medium term projects for planning, to ensure sustainable and continuous housing delivery.

Table 6.:Basic Services Delivery Challenges

1.4.3 Number of Households with access to Basic Services

Description	2012/13	2013/14
Electricity service connections	5 887	5 962
Water - available within 200 m from dwelling	5 884	6 310
Sanitation - Households with at least VIP service	6 490	5 570
Waste collection - kerbside collection once a week	5 915	5 564

Table 7.:Households with minimum level of Basic Services

1.5 Financial Health Overview

1.5.1 Financial Viability Highlights

Highlight	Description
Financial recovery plan completed	An approved financial recovery plan implemented in conjunction with Provincial Treasury addressing the backlog and non-compliant issues
Payment rate	The payment rate of debtors are over 100%.
Reconciliations	Bank and debtor reconciliation updated

Table 8.:Financial Viability Highlights

1.5.2 Financial Viability Challenges

Challenge	Action to address
Revenue enhancement plan to be completed	The findings to be implemented
The recruitment of skilled staff	To make sure that skilled staff been appointed to enhance the service delivery to the residents.
To comply with all legislations	Finalise the purchases of the compliance program with assistance of Provincial Government.
To strive for a better audit report	To balance all financial systems on a monthly basis
To improve the managerial situation in IT	To appoint a IT manager

Table 9.:Financial Viability Challenges



Chapter 1: Executive Summary

1.5.3 National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

KPA & Indicator	2012/13	2013/14
Debt coverage ((Total operating revenue-operating grants received):debt service payments due within the year)	5.48	10.50
Service debtors to revenue – (Total outstanding service debtors: revenue received for services)	0.12	0.10
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure	0.42	0.12

Table 10.: National KPI's for financial viability and management

1.5.4 Financial Overview

Details	Original budget	Adjustment Budget	Actual
	R'000		
Income			
Grants	90 250	84 815	66 621
Taxes, Levies and tariffs	110 076	117 849	102 482
Other	7 817	8 924	41 832
Sub Total	208 143	211 588	210 935
Less Expenditure	178 467	191 447	195 553
Net surplus/(deficit)	29 676	20 141	15 382

Table 11.: Financial Overview

1.6 Organisational Development Overview

1.6.1 Municipal Transformation and Organisational Development Highlights

Highlights	Description
The review of the organizational structure	The review of the organizational structure of the Swellendam Municipality and the identification of critical posts were key areas for consultation with the two unions at the Local Labour Forum and at various other management forums over the past year.



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Highlights	Description
Appointment of critical positions	The fact that four Directors and a Municipal Manager were appointed during the period under review indicate the progress that has been made in this functional area.
Four new Financial Interns were appointed during the 2013/14 financial year.	The Internship Programme is funded by the National Treasury. All four contracts will provide much needed capacity while they are in training over the next two years.
The administration of the various types of leave and benefits is done on SAMRAS-software.	All leave is now captured and stored electronically and the system can now with the press of a button give required information or leave status of employees.

Table 12.: Municipal Transformation and Organisational Development Highlights

1.6.2 Municipal Transformation and Organisational Development Challenges

Description	Actions to address
The scarcity of local candidates with appropriate skills to fill vacant posts.	Investigate options to fill vacancies
Lack of training regarding disciplinary matters.	The Labour Relations Officer is currently assisting the supervisors in this regard and training to develop our supervisors will take place in the 2014/15 financial year.
Financial constraints to implement appropriate employee wellness support programmes	Investigate funding possibilities
New Employment Equity Plan	A new Employment Equity Plan must be compiled and submitted in January 2015

Table 13.: Municipal Transformation and Organisational Development Challenges

Four broad basic aspects as now contained in the MTAS remain unchanged from the previous year's IDP and also form the basis for the 2013/14 Revised IDP. These are:-

1. The strategy to concentrate on priority outputs attainable within the monetary constraints of the municipality, with specific focus on financially viable service delivery, development of internal capacity and improved communication, both internally and externally:
 - Council's primary aim is to create a financially viable municipal institution crucial for the provision of municipal services in a sustainable manner.
 - Council's main challenge relates to maintaining service quality/levels and affordable services
 - A further of Council's main challenges is to upgrade bulk services so as not to hamper development.
2. Acquire land for housing and cemeteries.
3. Focus on priorities identified in strategic planning between Council and Management and as contained in the MTAS.
4. Improved customer care.



Chapter 1: Executive Summary

1.7 Auditor General Report

1.7.1 Audited Outcomes

Year	2010/11	2011/12	2012/13	2013/14
Opinion received	Disclaimer	Disclaimer	Unqualified	Unqualified

Table 14.: Audit Outcomes



Chapter 2: Good Governance

CHAPTER 2

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & Indicators	Municipal Achievement	Municipal Achievement
	2012/2013	2013/14
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	120	71.74

Table 15.: National KPIs - Good Governance and Public Participation Performance

2.2 Performance Highlights - Good Governance and Public Participation

Highlight	Description
Ward Committee Meetings	All 5 wards are functional and attended by ward committee members.
SMAF – Swellendam Municipal Advise Forum	A platform where the Mayor inform or the stakeholders could participate/contribute to the IDP/Budget.
Ward 3 were identified as a Rural Node in the Overberg	All the different departments invested in this area: Suurbraak, Buffeljagsrivier, Malagas, Infanta, Rietkuil. On 10 October 2014 the World Food Security Day – Event bring great opportunities to these Communities
Housing – Ward 5	Handover of houses in Ward 5
IDP	IDP meetings (2013/14) Inputs on the priority list of the 5 year IDP – Annual IDP and Budget review
Internal newsletter	A platform where Officials/units share work/private related information amongst each other

Table 16.: Good Governance and Public Participation Performance Highlights



Chapter 2: Good Governance

2.3 Challenges - Good Governance and Public Participation

Description	Actions to address
Training of ward committee members	Dates to be confirm by the Speaker and Province Ward plans is outstanding
Awareness and satisfactory survey	The events is scheduled for 2014/15
External News letter	Funding to be made available in the new financial year

Table 17.: Good Governance and Public Participation Challenges

2.4 Governance Structure

2.4.1 Political Governance Structure

The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and the Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, Councilors are also actively involved in community work and the various social programmes in the municipal area.

a) Council

The Council comprises 9 elected Councilors, made up from 5 Ward Councilors and 4 Proportional Representation (PR) Councilors. The portfolio committees are made up of councilors drawn from all political parties.

Below is a table that categorised the councillors within their specific political parties and wards for the 2013/14 financial year:

Council Members	Capacity	Political Party	Ward representing or proportional	Number of meetings attended
N.G. Myburgh	Executive Mayor	DA	Proportional	15
R.E. Carelse	Deputy Executive Mayor	ACDP	Proportional	15
M. J. Koch	Speaker	DA	4	15
J.du T. Loubser	Councillor	DA	1	15
H.C. Hartnick	Councillor	DA	3	15
G. Libazi	Councillor	ANC	Proportional	13
M.T.A. Swart	Councillor	ANC	2	12
D.C. Pietersen	Councillor	ANC	5	13
J.C. Nortje	Councillor	ANC	Proportional	14

Council 2013/14

Table 18.: Council



Chapter 2: Good Governance

Below is a table which indicates the Council meetings attendance for the 2013/14 financial year:

Meeting dates	Council Meetings Attendance	Apologies for non-attendance
Special Council Meeting, 12 July 2013	8	1
Ordinary Council Meeting, 29 August 2013	9	0
Ordinary Council Meeting, 01 October 2013	8	1
Ordinary Council Meeting, 07 October 2013	9	0
Special Council Meeting, 31 October 2013	4	5
Ordinary Council Meeting, 21 November 2013	9	0
Ordinary Council Meeting, 26 November 2013 (continuation of 21 November 2013)	9	0
Ordinary Council Meeting, 12 December 2013	9	0
Ordinary Council Meeting, 29 January 2014	7	2
Ordinary Council Meeting, 26 February 2014	9	0
Ordinary Council Meeting, 31 March 2014	9	0
Ordinary Council Meeting, 30 April 2014	9	0
Special Council Meeting, 26 May 2014	9	0
Ordinary Council Meeting, 28 May 2014	9	0
Ordinary Council Meeting, 24 June 2014	8	1

Table 19.: Council meetings

b) Executive Mayoral Committee

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July 2013 to 30 June 2014:

Name of member	Capacity	Meeting dates
N. G. Myburgh	Executive Mayor	Ordinary Mayco, 13 Aug 2013 Special Mayco, 15 August 2013 Special Mayco, 03 September 2013 Ordinary Mayco, 19 September 2013 Ordinary Mayco, 16 October 2013 Ordinary Mayco, 12 November 2013 Ordinary Mayco, 11 December 2013 Special Mayco, 13 December 2013 Ordinary Mayco, 28 January 2014
R. E. Carelse	Deputy Mayor	



Chapter 2: Good Governance

Name of member	Capacity	Meeting dates
H. C. Hartnick	Councillor (Member of Mayco)	Ordinary Mayco, 25 February 2014 Ordinary Mayco, 20 March 2014 Ordinary Mayco, 24 April 2014 Ordinary Mayco, 22 May 2014 Ordinary Mayco, 18 June 2014

Table 20.: Mayoral Committee Members

c) Portfolio Committees

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council. Section 79 committees are temporary and appointed by the executive committee as needed. They are usually set up to investigate a particular issue and do not have any decision making powers. Just like Section 80 committees they can also make recommendations to Council. Once their *ad hoc* task had been completed, Section 79 committees are usually disbanded. External experts, as well as Councillors can be included on Section 79 committees.

The portfolio committees for the 2011/16 Mayoral term and their Chairpersons are as follow:

Chairperson	Other members	Meeting Dates
Finance and Corporate Committee		
N.G. Myburgh	H. C. Hartnick	31 July 2013, 3 October 2013
	D. Pietersen	11 February 2014 12 March 2014
	(Secundi: J.C. Nortje)	15 April 2014 16 May 2014 20 June 2014
Engineering Services Committee		
H. C. Hartnick	J. du T. Loubser	9 October 2013 7 November 2013
	J. C. Nortje	6 February 2014 6 March 2014
	(Secundi: M.T.A. Swart)	15 April 2014 15 May 2014
Housing Committee		
R. E. Carelse	J. Matthysen	10 April 2014
	M.T.A. Swart	10 June 2014
	(Secundi: G. Libazi)	

Table 21.: Portfolio Committees



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2.4.2 Administrative Governance Structure

The table below indicates the administrative governance structure for the period under review:

Name of Official	Position	Performance agreement signed
		Yes/No
CM Africa	Acting Municipal Manager until 7 October 2013. Appointed as Municipal Manager as from 8 October 2013	Yes
D du Plessis	Director Corporate Services	Yes
W Murray	Director Community Services (Appointed 1 October 2013 and resigned 31 December 2013)	Yes
H Schlebusch	Director Financial Services (Appointed 1 November 2013)	Yes
BG Badenhorst	Director Engineering Services (Appointed 1 August 2013)	Yes

Table 22.: Administrative Governance Structure

The year under review was much more stable than the prior years. For the first time the municipality could function properly for most part of the year. The administrative government structure was fully capacitated over the first half of the year but the Director Community Services resigned after only three months in the post. The council resolved to keep the post vacant for an indefinite period and to divide the work load between the other directorates and the Office of the Municipal Manager. Council decided in March 2014 to fill the position, however the position was still vacant by end of June 2014.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

Explain the various contributions to service delivery offered by those involved.

2.5 Intergovernmental Relations

2.5.1 Provincial Intergovernmental Structures

Intergovernmental relations are the organisation of the relationship between the three spheres of government. The constitution states that the three spheres of government are distinctive, interdependent and interrelated. The three spheres of government has to work together to provide a comprehensive package of governmental services. The Swellendam Municipality renders the library Services on behalf of the Provincial Government and the provincial government provides grant funding for these services. The Municipality is also a partner in the EPWP and CWP projects funded by the National Government. The Municipality is not working together with the National Government on the Community Development Workers projects. Grant funding from National and Provincial Government also include MIG, MSIG, MIG etc.

We participate at the following forums:



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- MIG Manager/Municipality Coordination Meetings – Western Cape Department of Local Government
- The Provincial Transport Technical Committee (ProvTech) – Western Cape Department of Transport and Public Works
- The Provincial Transport Committee (ProvCom) – Western Cape Department of Transport and Public Works
- Integrated Waste Management Forum – Western Cape Department of Environmental Affairs and Development Planning
- Western Cape Recycling Action Group – Western Cape Department of Environmental Affairs and Development Planning
- Municipal Infrastructure and Related Services Working Group – SALGA
- Working for Water: Implementing Agent Managers Forum – National Department of Environmental Affairs

The interaction with neighbouring municipalities is on a daily basis, via email, telephone discussions and in certain instances visits. We share knowledge and interact with one another on human resources, training interventions, labour related matters, policies, by-laws and tenders and contracts. During the year under review we visited Overstrand Municipality for GIS implementation and we have entered into an agreement to share the software and database. We have also entered into an agreement to share the MMC training with Cape Agulhas. Furthermore there were visits to Theewaterskloof-, Mosselbay- and Cape Agulhas Municipalities on various service delivery issues.

The Municipality attends basically all meeting that are held within the Western Cape. We attend the Minmay, MGRO. The provincial and national government has been extensively involved in the Municipality during the year under review. The value obtained from these interactions is of utmost importance as it builds capacity, provide needed information, and ensure alignment and uniformity.

The participation in National Forums is limited due to financial constraints. The cost for sundries and travel is very high. Some of the National Forums that were attended during the year under review is limited to CoGTA`S engagement with municipalities.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the Municipal Systems Act (MSA) refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;



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- monitoring and review of the performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

2.6.1 Public Meetings

Public meetings take place. In case of urgent matters that needs public input, the traffic department will do the loud-hailing in the various towns, or give out pamphlets door to door. The Councilors is usually the convener at these meetings. Councilors are supposed to have 4 public meetings per year. The purpose is to give feedback to the community members in their wards, what has happened and what are the projects/programs they want to see happening in their wards.

In the past not many public meetings were held, improvement has been made, and more public meetings has been held. The Councilors also have Ward report back meetings in their wards. The members of the Ward meetings is also involve in spreading the word about the importance of these meetings and the attendance of the community.

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
IDP	Ward 1 20 January 2014	5	6	35	IDP Feedback occurred in September 2014 during Ward Committee Meetings and in October 2014 on Public Meetings
	Ward 2 21 January 2014			73	
	Ward 3 28,29 January 2014			105	
	Ward 4 27 January 2014			39	
	Ward 5 30 January 2014			46	
CRDP Ward 3	27 January 2014	1	4	120	Monthly discussions on the World Food Day with the Council of Stakeholders
	9 February 2014				
Housing Program	29-31 January 2014	2	4	122	Feedback provided 3-7 February 2014 to the beneficiaries on the progress

Table 23.: Public Meetings



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2.6.2 Ward Committees

The ward committees support the Ward Councilor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

a) *Ward 1: Swellendam and Rural areas of Stormvlei and Nootgedacht*

Name of representative	Capacity representing	Dates of meetings held during the year
Toit Loubser	Ward Councillor	
Herman Smit	Lions	
Ilse Olivier	CAP Woman	
Chante Fluks	Social Wellbeing	
Peter Graton	Tourism	
Wynand Olivier	Religion	
Terence Meyers	Gemkor - Safety	19 August 2013
Franciose Viljoen	Agriculture	24 March 2014
Vicky Bezuidenhout	Business	15 April 2014
Koos Blou	Farm workers	

Table 24.: Ward 1 Committee Meetings

b) *Ward 2: Barrydale, Smitsville, part of Suurbraak, Vleiplaas and surrounding rural areas*

Name of representative	Capacity representing	Dates of meetings held during the year
Amanda Swart	Ward Councillor	8 July 2013
Vacant	Businesses	5 August 2013
Vacant	Farmers Sector	1 October 2013
Vacant	Health	19 November 2013
John Michaels	Sport	20 January 2013
Henry Michaels	Emerging Farmers	10 February 2014
Vacant	Religion	11 March 2014
Don Kelly	Community Based Organisation	8 April 2014
Fanny Nortje	Education	22 May 2014
Maria Windvogel	Women	
Anton van Vliet	Youth	

Table 25.: Ward 2 Committee Meetings



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c) Ward 3: Buffeljagsrivier, the largest part of Suurbraak, Mullersrus and Malagas/Infanta

Name of representative	Capacity representing	Dates of meetings held during the year
Heinrich Hartnick	Ward Councillor	
Freek Witbooi	Religion	
Magret Theodore	Sport	
Mirinda Wagner	Disabled and social wellbeing	21 August 2013
George Witbooi	Education	16 September 2013
Jonathan Prins	Business	23 October 2013
Vanessa Roman	Youth	3 February 2014
Paulina Topp	Women	10 February 2014
Cliffie Pillay	Agriculture	25 March 2014
Andy Harmse	Housing	10 April 2014
		19 June 2014

Table 26.: Ward 3 Committee Meetings

d) Ward 4: Part of town of Swellendam and part of Railton

Name of representative	Capacity representing	Dates of meetings held during the year
Matthys Koch	Ward Councillor	
Vacant	Businesses	
Ina Ogilvie	Health	19 Augustus 2013
Vacant	Sport	7 April 2014
Katie Jonkers	Women	15 April 2014
Vacant	Religion	
Frederik Liebenberg	Education	
Richard Booth	Geographical	
Ivan Johnson	Youth	

Table 27.: Ward 4 Committee Meetings

e) Ward 5: Part of town of Swellendam and part of Railton

Name of representative	Capacity representing	Dates of meetings held during the year
Dawid Pietersen	Ward Councillor	23 July 2013
Roy Davids	Sport	27 Augustus 2013
Fiona Filander	Youth	18 September 2013
Dolly Mtila	Education	13 November 2013
Johanes Badela	Religion	11 February 2014
		26 March 2014



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Name of representative	Capacity representing	Dates of meetings held during the year
Jakobus Dirks	Social wellbeing	22 April 2014
Meisie Bokwana	Culture/Tourism	
Sikhumbuzo Mpantu	Informal settlement/ Geographic	
Gladys Libaszi	Proportional Councillor	
Linda De Vie	Women	

Table 28.: Ward 5 Committee Meetings

2.6.3 Functionality of Ward Committee

The purpose of a ward committee is:

- ✚ to get better participation from the community to inform council decisions;
- ✚ to make sure that there is more effective communication between the Council and the community; and
- ✚ to assist the ward councilor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councilor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councilor who makes specific submissions directly to the administration. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

The table below provides information on the establishment of Ward Committees and their functionality:

Ward	Committee established Yes / No	Number of meetings held	Committee functioning effectively (Yes / No)	Actions to address
1	Yes	3	Yes	Ward Committee Workshop
2	Yes	9	Yes, but members complain about Sector support and feedback structures	Ward Committee Workshop
3	Yes	9	Yes, but members complain about Sector support and feedback structures	Ward Committee Workshop
4	Yes	3	Yes	Ward Committee Workshop
5	Yes	6	Yes, but members complain about Sector support and feedback structures	Ward Committee Workshop

Table 29.: Functioning of Ward Committees



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2.6.4 Representative Forums

a) Labour Forum

The table below specifies the members of the Labour Forum for the 2013/14 financial year:

Name of representative	Capacity	Meeting dates
D du Plessis	Employer representative management	
H Schlebusch	Employer representative management	
B Badenhorst	Employer representative management	
H Hartnick	Employer representative political	12 August 2014
R Carelse	Employer representative political	29 October 2014
J Nortje	Employer representative political (secundi)	17 January 2014
M Windvogel	Union representative SAMWU	12 February 2014
P Mitchell	Union representative SAMWU	17 March 2014
K Abrahams	Union representative SAMWU	23 April 2014
Z van der Vent	Union representative IMATU	27 May 2014
D Julius	Union representative IMATU	17 June 2014
P le Roux	Official Capacity Manager HR	
J Kapp	Official Capacity Labour Relations Officer	
B Windvogel	Official Capacity Administrative clerk – HR	

Table 30.: Labour Forum

b) Swellendam Municipal Advisory Forum (SMAF)

The table below specifies the members of the SMAF Forum for the 2013/14 financial year:

Name of representative	Capacity	Meeting dates
N.G. Myburgh	Chairperson	
All Ward Councillors	Members	
Representatives from ward committees	Members	
Representatives from sector departments	Members	25 November 2013
All senior managers	Members	23 April 2014
Representatives from various sectors	Members	
Rate payers associations	Members	

Table 31.: Municipal Advisory Forum



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COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.7 Risk Management

In terms of section 62 (1)(c)(i) *"the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure- that the municipality has and maintains effective, efficient and transparent systems – of financial and risk management and internal control;"...*

The role of the service departments is to identify, review and manage their risks on an ongoing basis, making risk management an integral or natural part of the organisational processes and procedures. Risk management should be embedded in the organisation, it becomes an intrinsic part of business planning and decision making - there is no direction taken without looking at potential risks.

There is a need that senior management proactively, purposefully and regularly identify and define current as well as emerging business, financial and operational risks and either simultaneously or with due expedition identify appropriate and cost effective methods of obviating and managing these risks within the Municipality. Stated differently risk management is important in order that to identify and evaluate the actual and potential risk areas as they pertain to the Municipality as an entity, followed by a process of either termination, transfer, acceptance [tolerance] or mitigation of those risks through a system of appropriate internal controls and other measures. The risk management process entails the planning, arranging and controlling of activities and resources to minimise the impacts of all risks to levels that can be tolerated by stakeholders whom the Council has identified as relevant to the Municipality.

The municipality has made tremendous progress with the implementation of risk management for the period under review. The council adopted a Risk Management Policy on 7 October 2013. A Risk Assessment was also conducted and the results thereof were used to develop the Risk-Based Internal Audit Plan. Furthermore, additional frameworks and structures have been established to ensure the effective implementation of Risk Management within the municipality and to establish appropriate reporting lines for Risk Management.

As part of our approach to the identification and on-going management of risks across Swellendam Municipality, a service provider was appointed to facilitate various risk identification and rating workshops with members of the management team and staff during June 2014. The report will be used for the continuing risk management processes, and for managing and monitoring of risks across the organization on an on-going basis.



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The table below include the top five strategic risks of the municipality:

Risk
1. Fleet Management: Deterioration of fleet
2. Poor storm water infrastructure
3. Excessive water and electricity losses
4. Inadequate Waste Water Treatment Works
5. Insufficient internal control and systems

Table 32.: Top five risks

2.8 Anti-Corruption and Anti-Fraud

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

Swellendam Municipality's Anti-Corruption and Whistle Blower Policy was adopted by council on 12 February 2013 and also tabled to the Audit Committee on 30 October 2013.

One of the main purposes of an Anti-Corruption policy is to ensure that the Municipality is in compliance with the Municipal Systems Act, Act No. 32 of 2000 which requires the Municipality, amongst other things to develop and adopt appropriate systems and procedures that contribute to effective and efficient management of the municipality and its resources.

2.8.1 Developed Strategies

Name of strategy	Developed Yes/No	Date Adopted
Anti-corruption and Fraud Prevention strategy and Implementation plan	Yes	12 February 2013

Table 33.: Strategies

2.9 Audit Committee

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –

- advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –
 - internal financial control;



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- risk management;
- performance Management; and
- effective Governance.

The Audit Committee have the following main functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003 and the Local Government Municipal and Performance Management Regulation:

2.9.1 Functions of the Audit Committee

- To advise the Council on all matters related to compliance and effective governance.
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- To review the quarterly reports submitted to it by the internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- The compilation of reports to Council, at least twice during a financial year.
- To review the performance management system and make recommendations in this regard to Council.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- To review the annual report of the municipality.
- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

Experience has shown that a properly constituted Audit Committee can make an effective and valuable contribution to the process by which an organization is directed and controlled.



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The Swellendam Audit Committee is well established and functioning as required. An updated Committee Charter has also been developed and approved by Council. All the members of the Audit Committee are also members of the Performance Audit Committee. The Audit and Performance Audit Committee (APAC) meets quarterly.

2.9.2 Members of the Audit and Performance Audit Committee

Name of representative	Capacity
Dr BP Jansen Van Rensburg	Chairperson
Prof PJ du Plessis	Member
Mr N du Preez	Member (<i>Resigned on 17 February 2014</i>)
Mr SJ Adonis	Member (<i>Appointed with effect from 1 May 2014</i>)

Table 34.: Members of the Audit Committee

Matters that served before the Audit and Performance Audit Committee for 2013/14 financial year are as follows:

Meeting Date	Item Discussed	Recommendation Adopted
30 August 2013	Circular from Provincial Treasury: Public Sector Audit Committee Forum Training	n/a
30 August 2013	2012/2013 Financial Statements	Yes
30 October 2013	Various Polices: <ul style="list-style-type: none">• Anti-Corruption and Fraud• Performance Management Policy and Framework• Risk Management Policy	Yes
30 October 2013	Risk Assessment: Risk Identification and Assessment Matrix	Yes
30 October 2013	Performance Evaluation for the 1 st Quarter: SDBIP	Yes
30 October 2013	Revised Audit and Performance Audit Committee Policy	Further suggestions made
27 February 2014	Revised Audit and Performance Audit Committee Policy	Yes
27 February 2014	Mid-Year Performance Assessment 2013/14 for the Period 1 July 2013 to 31 December 2013	Yes
27 February 2014	Audit Action Plan of the 2012/2013 Audit Outcome	Yes
27 February 2014	Report on the Annual Report and Oversight Arrangements	Yes
29 May 2014	Internal Audit Charter	Yes
29 May 2014	Internal Audit Approach and Methodology	Yes
29 May 2014	2014/15 Risk-Based Internal Audit Plan	Yes
29 May 2014	Performance Information Review (July 2013 – March 2014)	Yes
29 May 2014	Audit Action Plan of the 2012/2013 Audit Outcome	Yes



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Meeting Date	Item Discussed	Recommendation Adopted
29 May 2014	Proposed Audit and Performance Audit Committee Meeting Schedule	Yes
29 May 2014	Internal Audit Awareness Workshops	Yes
29 May 2014	Quality Assurance and Improvement Program	Yes
29 May 2014	Risk Management Policy & Framework	Yes

Table 35.: Audit Committee Activities

2.10 Internal Auditing

Section 165 (2) (a), (b)(iv) of the MFMA requires that:

The internal audit unit of a municipality must –

- prepare a risk based audit plan and an internal audit program for each financial year; and
- advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
 - internal audit;
 - internal controls;
 - accounting procedures and practices;
 - risk and risk management;
 - performance management;
 - loss control; and
 - compliance with this Act, the annual Division of Revenue Act and any other applicable legislation
- perform other duties as may be assigned to it by the accounting officer.

The Swellendam Municipality has an in-house Internal Audit function. The Internal Auditor was appointed on 4 February 2014, and an Intern allocated to the Internal Audit Unit to assist with the audits. The Internal Audit function is now fully established and functional and the Internal Audit Charter, as well as the Internal Audit Approach and Methodology has been developed and approved by the Audit and Performance Audit Committee.



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Below are the functions of the Internal Audit Unit that was performed during the financial year under review:

Activity	Date	Status
<i>Frameworks and Establishment of the Unit</i>		
Developed Internal Audit Charter	Feb/March 2014	Completed – Approved by APAC on 29 May 2014
Developed Internal Audit Approach and Methodology	Feb/March 2014	Completed – Approved by APAC on 29 May 2014
Revisiting current risk profile and priorities	Feb/March 2014	Completed
Compiled 2014/15 Risk Based Internal Audit Plan	Feb/March 2014	Completed – Approved by APAC on 29 May 2014
Compiled Audit and Performance Audit Committee Meeting Schedule (Annual Work Plan)	Feb/March 2014	Completed – Approved by APAC on 29 May 2014
Developed Quality Assurance and Improvement Program	Feb/March 2014	Completed – Approved by APAC on 29 May 2014
Developed additional Risk Management Structures: Enterprise Risk Management Statement; Risk Management Implementation Plan & Risk Management Committee Charter	Feb/March 2014	Completed – Approved by Accounting Officer on 8 April 2014 and Acknowledged by the APAC on 29 May 2014 and Tabled to Council on 24 June 2014.
<i>Audits/ Reviews conducted</i>		
Conducted Internal Audit Awareness Presentations	April 2014	2 April 2014: Engineering Services 16 April 2014: Corporate Services 23 April 2014: Community Services
Performance Management Information Review: Q1; Q2 & Q3 (July 2013 – March 2014)	April/May 2014	Completed – Tabled to the APAC on 29 May 2014
Ad Hoc: Traffic Services - Cash Up Procedure Review	April 2014	Completed – Final Report issued to Management and to be tabled at APAC meeting.
Ad Hoc: Swellendam Library Review	May 2014	Completed – Final Report issued to Management and to be tabled at APAC meeting.
Ad Hoc: Overtime Review	June 2014	Completed – Final Report issued to Management and to be tabled at APAC meeting.

Table 36.:

Internal Audit Activities



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2.11 By-Laws and Policies

Section 11 of the MSA gives a Council the executive and legislative authority to pass and implement by-laws and policies. Below is a list of all the by-laws developed and reviewed during the financial year:

By-laws developed/revised	Date adopted	Public Participation Conducted Prior to adoption of By-Laws Yes/No	Date of Publication
Liquor Trading Hours	29 August 2013	Yes	15 November 2013
By-law Relating to Credit Control	24 June 2014	Yes	4 July 2014
By-law Relating to Tariffs	24 June 2014	Yes	4 July 2014

Table 37.: By-laws developed and reviewed

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Risk Management Policy	26 June 2014	Yes
Records Management Policy	28 May 2014	Yes
Policy relating to the management and alienation of immovable property	24 June 2014	Yes
Gift policy of officials	24 June 2014	Yes
Petty Cash Policy	24 June 2014	Yes
Supply Chain Management Policy	26 May 2014	Yes
Tariff Policy	26 May 2014	Yes
Funding and Reserve Policy	26 May 2014	Yes
Budget Policy	26 May 2014	Yes
Banking, Cash Management and Investment Policy	26 May 2014	Yes
Rates Policy	26 May 2014	Yes
Bad Debt Write Off Policy	26 May 2014	Yes
Customer Services, Credit Control and Debt Collection Policy	26 May 2014	Yes
Cellular Phone Policy	12 December 2013	Yes
Communication Policy	7 October 2013	Yes
System of Delegations: Rolls and Responsibilities	1 October 2013	Yes
Revised: Delegations of Power of Duties	12 December 2013	Yes



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Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
EPWP	29 August 2013	Yes
Travel Policy for Councillors	28 May 2014	Yes
Travel and Subsistence Policy	28 May 2014	Yes
Administration and Management of Indigent Support	26 May 2014	Yes
Disciplinary Committee for board members – rules and procedures	21 November 2013	Yes
Employment Policy	31 March 2014	Yes
Preferential Procurement Policy	26 May 2014	Yes
Irregular Expenditure Policy	26 May 2014	Yes
Audit and Performance Audit Committee Policy	31 March 2014	Yes
Study Aid Policy	31 March 2014	Yes
Local Economic Development Strategy	24 June 2014	Yes
Protective Clothing and Equipment Policy	31 March 2014	Yes

Table 38.: Policies developed and reviewed

2.12 Communication

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the abovementioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of **Batho Pele** and this, in simple terms, means that those we elect to represent us (councillors at the municipal level) and those who are employed to serve us (the municipal officials at municipal level) must always put people first in what they do.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication unit	No



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Communication activities	Yes/No
Communication strategy	Yes
Communication Policy	Yes
Customer satisfaction surveys	No - currently in process (Council to approve the designed form before the implementation.)
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes - internal newsletter is being distributed quarterly, but no external newsletter.

Table 39.: Communication Activities

2.13 Website

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipal website	Yes/ No
Annual budget and all budget-related documents for the 2013/14 main budget	Yes
Adjustment budget for 2013/14	Yes
Budget implementation policy: Tariff policy	Yes
Budget implementation policy: Credit control policy	Yes
Budget implementation policy: Valuation By-Law	Yes
Budget implementation policy: Rates policy	Yes
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2013/14	Yes
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2013/14	Yes

Table 40.: Website Checklist

The shortfall on the website is mainly due to non-capacity. It has been addressed and will be rectified in the new financial year.

2.14 Supply Chain Management

The Supply Chain Management Policy of the Swellendam Municipality is deemed to be fair, equitable, transparent, competitive and cost-effective as required by Section 217 of the Constitution.



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The Supply Chain Management Policy complies duly with the requirements of Section 112 of the MFMA as well as the Supply Chain Management Regulations. The Policy was drafted based on the SCM Model Policy issued by the National Treasury and amended to suit the local circumstances within the ambit of the regulatory framework and sometimes even stricter than the legal requirements.

2.14.1 Competitive Bids in Excess of R200 000

a) Bid Committee Meetings

The following table details the number of bid committee meetings held for the 2013/14 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
25	23	24

Table 41.: Bid Committee Meetings

The attendance figures of members of the bid specification committee are as follows:

Member	Percentage attendance
T. Mouton	12%
B. Beyers	80%
G. Adams	4%
P. Du Toit	80%
L.S. Mralasi	56%
W. Titus (Secundi)	60%
S. Herbst (Secundi)	4%

Table 42.: Attendance of members of bid specification committee

The attendance figures of members of the bid evaluation committee are as follows:

Member	Percentage attendance
J. de Jager	4%
W. Hattingh	65%
B. Burger	61%
R. Campher	61%
D. Carelse	17%
P. Du Toit	74%
L.S. Mralasi	39%
G. Louw	48%

Table 43.: Attendance of members of bid evaluation committee



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The attendance figures of members of the bid adjudication committee are as follows:

Member	Percentage attendance
B. Beyers	83%
D. du Plessis	75%
W. Murray	13%
H. Schlebusch	71%
W. Titus (secundi)	4%
M. Steenkamp (Secundi)	21%
J. Engel (Secundi)	0%

Table 44.: Attendance of members of bid adjudication committee

The percentages as indicated above include the attendance of those officials acting in the position of a bid committee member.

b) Awards Made by the Bid Adjudication Committee

The ten highest bids awarded by the bid adjudication committee are as follows:

Only make recommendations to MM

Bid number	Title of bid	Directorate and section	Value of bid awarded (R)
SM-T28/12-13	Upgrading of Water Treatment Works : Civil Works	Engineering – Water and Sewerage	6 578 746.71
SM-T01/14-15	Upgrading of Buffeljagsrivier Waste Water Treatment Works	Engineering – Water and Sewerage	3 783 012.00
SM-T30/13-14	Provision of a Debt Collection and Credit Control Support Service	Finance - Income	3 153 637.40
SM-T29/12-13	Upgrading of Water Treatment Works: Mechanical and Electrical Works	Engineering – Water and Sewerage	3 014 197.58
SM-T11/13-14	Upgrading of road & storm water drainage in Rondomskrik, Swellendam: Phase 3	Engineering –Streets and Storm Water	2 962 466.53
SM-T34/12-13	Printing, Sorting and Mailing of Municipal Accounts to the Swellendam Municipality	Finance - Income	2 040 447.99
SM-T03/13-14	Mechanical Repair and Service of Vehicles for a period of three (3) years	Engineering – Fleet	1 000 000.00
SM-T04/13-14	Supply and delivery of photocopy paper for a three (3) year period	Finance - Expenditure	895 612.50
SM-T01/13/14	Provision of Consultant Services - Water Mater Planning	Engineering – Water and Sewerage	679 257.60
SM-T18/13/14	Provision of training course - Minimum Competency level training	Corporate - HR	435 000.00

Table 45.: Awards Made by the Bid Adjudication Committee



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c) Awards Made by the Accounting Officer

Bids awarded by the Accounting Officer are as follows:

Bid number	Title of bid	Directorate and section	Value of bid awarded (R)
SM-T34/12-13	Printing, Sorting and Mailing of Municipal Accounts to the Swellendam Municipality	Finance - Income	2 040 447.99
SM- T-03/13-14	Mechanical Repair and Service of Vehicles for a period of three (3) years	Engineering - Fleet	1 000 000.00
SM-T28/12-13	Upgrading of Water Treatment Works : Civil Works	Engineering – Water and Sewerage	6 578 746.71
SM-T29/12-13	Upgrading of Water Treatment Works : Mechanical and Electrical Works	Engineering – Water and Sewerage	3 014 197.58
SM-T01/13/14	Provision of Consultant Services - Water Mater Planning	Engineering – Water and Sewerage	679 257.60
SM-T06/13/14	Provision of VAT Transactional Analysis	Finance - Expenditure	319 200.00
SM-T12/13-14	Rendering of repeater services	Engineering	228 646.15
SM-T10/13/14	Proposals for various training courses Certificate - Leadership	Corporate - HR	360 000.00
SM-T10/13/14	Proposals for various training courses - Certificate - General Environmental Practice	Corporate - HR	360 000.00
SM-T10/13/14	Proposals for various training courses - Certificate - Advance Environmental Practice	Corporate - HR	360 000.00
SM-T18/13/14	Provision of training course - Minimum Competency level training	Corporate - HR	435 000.00
SM-T11/13-14	Upgrading of road & storm water drainage in Rondomskrik, Swellendam : Phase 3	Engineering Services	2 962 466.53
SM-T14/13-14	Provision of various maintenance services in Infanta	Community Services	288 000.00
SM-T04/13-14	Supply and delivery of photocopy paper for a three (3) year period	Finance - Expenditure	895 612.50
SM-T25/13-14	Supply and delivery of IT equipment	Finance - Income	309 452.73
SM-T29/13-14	Replace roof of Municipal office building in Barrydale	Community - Library Services	281 373.95
SM-T30/13-14	Provision of a Debt Collection and Credit Control Support Service	Finance - Income	3 153 637.40
SM-T01/14-15	Upgrading of Buffeljagsrivier Waste Water Treatment Works	Engineering – Water and Sewerage	3 783 012.00

Table 46.:

Awards made by Accounting Officer



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d) Appeals Lodged by Aggrieved Bidders

Tender No	Description	Awarded to	Complainant	Date received	Outcome	Outcome Date
SM-Q06/13-14	Supply and delivery of (15) brush cutters	Turfmaster Bellville	George Lawnmower and Chainsaw	15/10/2013	Unsuccessful	25/10/2013
SM-T06/13-14	Provision of VAT Transactional Services	Price Water House Coopers Inc.	Max Prof (Pty) Ltd	11/11/2013	Unsuccessful	11/11/2013

Table 47.: Appeals lodged by aggrieved bidders

2.14.2 Deviation from Normal Procurement Processes

The following table provides a summary of deviations approved on an annual and monthly basis respectively:

Type of deviation	Number of deviations	%	Value of deviations (R)
Emergencies	15	4.83	167 618
Single Provider	46	46.36	721 873
Impractical	18	48.81	674 373
Total	79	100	1 563 864

Table 48.: Summary of deviations



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CHAPTER 3

This chapter provides an overview of the key service achievements of the municipality that came to fruition during 2013/14 in terms of the deliverables achieved compared to the key performance objectives and indicators in the IDP. It furthermore, includes an overview on achievement in 2013/14 compared to actual performance in 2012/13.

3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of *inter alia*:

- ✚ the promotion of efficient, economic and effective use of resources,
- ✚ accountable public administration
- ✚ to be transparent by providing information,
- ✚ to be responsive to the needs of the community,
- ✚ and to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management



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is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities. This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

3.1.1 Legislative requirements

In terms of section 46(1)(a) a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

3.1.2 Organisation performance

Strategic performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlight the strategic performance in terms of the municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the National Key Performance Areas, performance on the National Key Performance Indicators prescribed in terms of section 43 of the Municipal Systems Act, 2000 and an overall summary of performance on municipal services.

3.1.3 The performance system followed for 2013/14

a) Adoption of a Performance Management Framework

The municipality adopted a performance management framework that was approved by Council in 2007 and the municipality engaged with Ignite Management Services for a Performance Management System (PMS). The Ignite PMS deals with both organisational and individual performances.

Performance management has for the first time been properly implemented in Swellendam Municipality in the 2013/14 financial year.



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All senior managers have signed performance agreements and the performance management system has been cascaded down to the first manager's level reporting directly to the senior managers. The municipality also had reported on performance for the mid-year in January 2014. The implementation of a reward system for outstanding performance will be embarked upon in 2014/15 and the further cascading down of performance will commence once the placement of staff has been completed and the job descriptions properly task evaluated.

b) The IDP and the budget

The IDP was reviewed for 2013/14 and the budget for 2013/14 was approved by Council on 29 May 2013.

The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

For the first time the Swellendam Municipality could monitor and evaluate the performance of the institution. The political instability that was experienced for the last couple of years was resolved in court. The SDBIP were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on 27 June 2013.

c) The Service Delivery Budget Implementation Plan

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

- ✿ The IDP and budget must be aligned
- ✿ The budget must address the strategic priorities
- ✿ The SDBIP should indicate what the municipality is going to do during next 12 months
- ✿ The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor 27 June 2013.



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i) The municipal scorecard (Top Layer SDBIP)

The municipal scorecard (Top Layer SDBIP) consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

One-year detailed plan, but should include a **three-year capital plan**

The 5 necessary components includes:

- ✚ Monthly projections of revenue to be collected for each source
 - Expected revenue to be collected NOT billed
- ✚ Monthly projections of expenditure (operating and capital) and revenue for each vote
 - Section 71 format (Monthly budget statements)
- ✚ Quarterly projections of service delivery targets and performance indicators for each vote
 - Non-financial measurable performance objectives in the form of targets and indicators
 - Output NOT input / internal management objectives
 - Level and standard of service being provided to the community
- ✚ Ward information for expenditure and service delivery
- ✚ Detailed capital project plan broken down by ward over three years

Top Layer KPI's were prepared based on the following:

- ✚ Key performance indicators (KPI's) for the programmes / activities identified to address the strategic objectives as documented in the IDP.
- ✚ KPI's that need to be reported to key municipal stakeholders.
- ✚ KPI's to address the required National reporting requirements.

It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POE's for reporting and auditing purposes.



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d) Actual performance

The municipality utilizes an electronic web based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set.
- A performance comment.
- Actions to improve the performance against the target set, if the target was not achieved.

It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated.

3.1.4 Performance Management

Performance management is prescribed by chapter of the Municipal Systems Act, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

The municipality adopted a performance management framework that was approved by Council in 2007.

a) Organisational Performance

The organisational performance is monitored and evaluated via the SDBIP and the performance process can be summarised as follows:

- The Top Layer SDBIP was approved by the Mayor on 27 June 2013 and the information was loaded on an electronic web based system
- The web based system sent automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets by the 10th of every month for the previous month's performance.

All senior managers has signed performance agreements and the performance management system has been cascaded down to the first manager's level reporting directly to the senior managers.



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3.2 INTRODUCTION TO STRATEGIC AND MUNICIPAL PERFORMANCE FOR 2013/14

3.2.1 Strategic Service Delivery Budget Implementation Plan (Top Layer)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements)

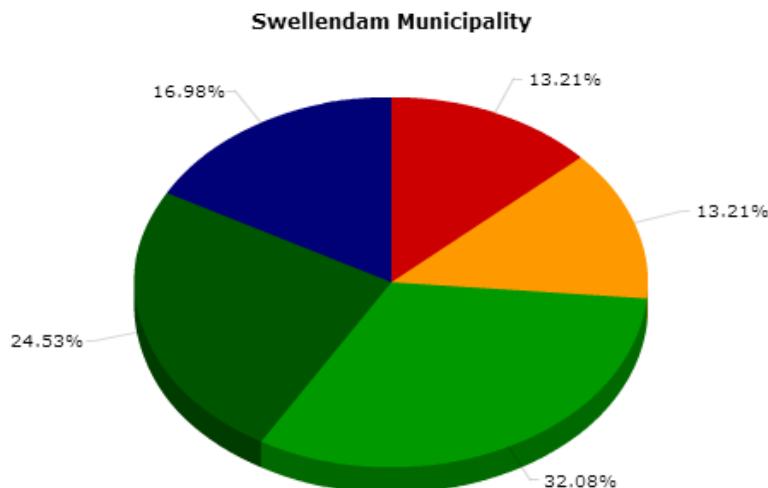
In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to the IDP (strategic) objectives.

The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (kpi's) of the SDBIP is measured:

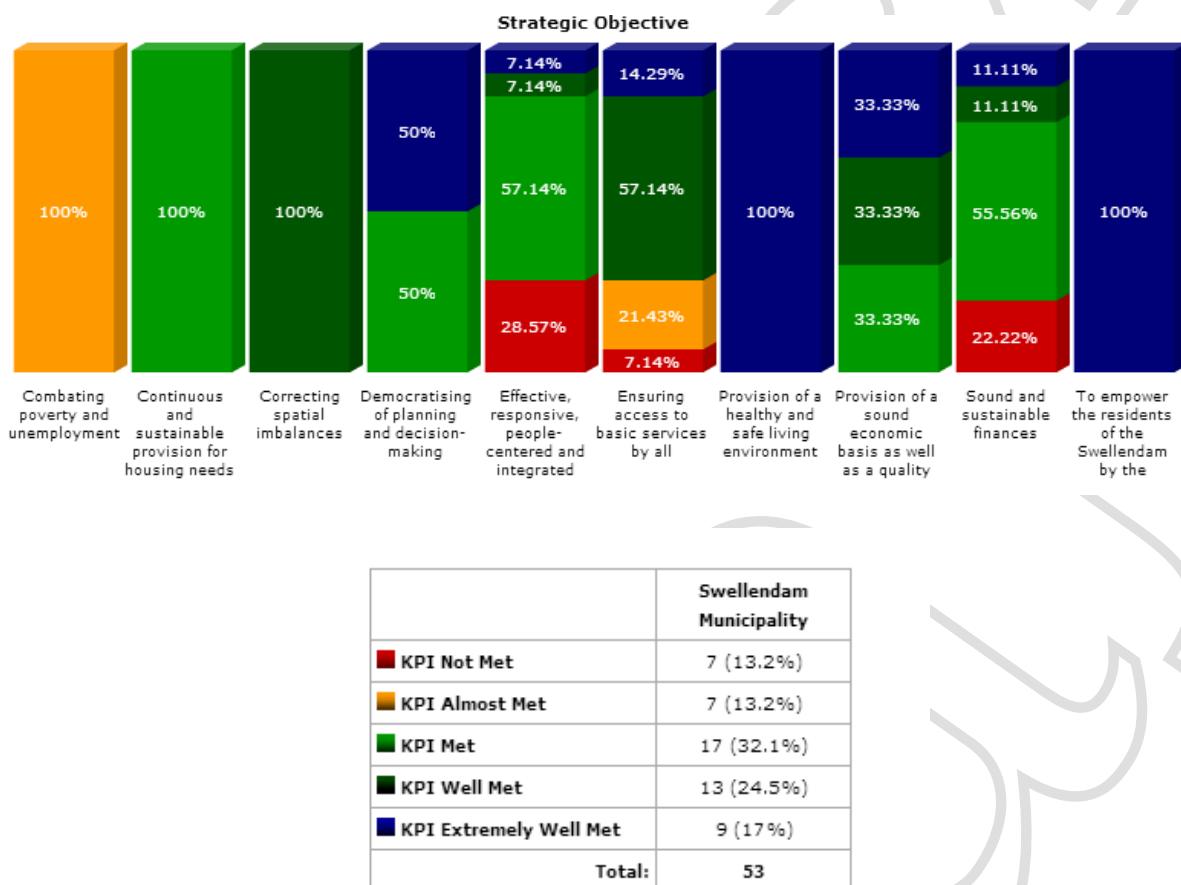
Category	Colour	Explanation
KPI Not Yet Measured	Grey	KPI's with no targets or actuals in the selected period
KPI Not Met	Red	$0\% \geq \text{Actual/Target} < 75\%$
KPI Almost Met	Orange	$75\% \geq \text{Actual/Target} < 100\%$
KPI Met	Green	$\text{Actual/Target} = 100\%$
KPI Well Met	Dark Green	$100\% > \text{Actual/Target} < 150\%$
KPI Extremely Well Met	Dark Blue	$\text{Actual/Target} \geq 150\%$

Figure 2.: SDBIP Measurement Categories

The graph below displays the overall performance per Strategic objectives for 2013/14:



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Graph 1.: *Overall performance per Strategic objective*

a) Combating poverty and unemployment

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						Corrective actions	
					Target					Actual		
					Q1	Q2	Q3	Q4	Annual			
TL17	Provide 6kl free basic water per month to indigent households in terms of the equitable share requirements	Number of indigent households receiving free basic water	All	1611	1,800	1,800	1,800	1,800	1,800	1,754	O	National Reporting KPI into Reg 796. Less application were received than expected
TL18	Provide free basic sanitation to indigent households in terms of the equitable share requirements	Number of indigent households receiving free basic sanitation	All	1611s	1,800	1,800	1,800	1,800	1,800	1,754	O	National Reporting KPI into Reg 796. Less application were received than expected
TL19	Provide 50kwh free basic electricity per month to indigent	Number of indigent households	All	1611	1,800	1,800	1,800	1,800	1,800	1,754	O	National Reporting KPI into Reg 796.



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Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
	households in terms of the equitable share requirements	receiving free basic electricity									Less application were received than expected
TL20	Provide free basic refuse removal to indigent households in terms of the equitable share requirements	Number of indigent households receiving free basic refuse removal	All	1611	1,800	1,800	1,800	1,800	1,800	1,754	O

Table 49.: Combating poverty and unemployment

b) Continuous and sustainable provision for housing needs through timely planning

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2012/13						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL57	Develop or review a Human Settlement Plan and submit to council by 30 June	Plan submitted to council	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	1	1	1	G

Table 50.: Continuous and sustainable provision for housing needs through timely planning

c) Correcting spatial imbalances

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL50	Provide consideration on building plans within 30 days for buildings less than 500m ² and 60 days for buildings larger than 500m ² after all information required is correctly submitted (Actual plans evaluated/by plans received)	% Evaluated	All	91.33%	90%	90%	90%	90%	90%	91%	G 2
TL51	Provide consideration on land use applications within 120 days after receipt of all outstanding and relevant information	% of applications evaluated	All	91.33%	90%	90%	90%	90%	90%	97.08%	G 2



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Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
	and documents (Actual applications evaluated/applications received)										

Table 51.: Correcting spatial imbalances

d) Democratising of planning and decision-making

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL1	Prepare the draft IDP review and submit to Council for approval by 31 March	Prepare the draft IDP review and submit to Council by 31 March	All	1	0	0	1	0	1	1	G
TL2	Develop and sign the performance agreements of all s57 employees by 31 December 2013	Number of performance agreements signed	All	0	0	4	0	0	4	4	G
TL8	Hold public participation sessions in wards	Number of public participation sessions	All	5	0	0	5	0	5	10	B
TL9	Facilitate the meeting of ward committees	Number of ward committee meetings held	All	New performance indicator for 2013/14. No audited comparatives available	0	5	0	5	10	24	B

Table 52.: Democratising of planning and decision-making

e) Effective, responsive, people-centered and integrated institution

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL3	Compile the Risk Based Audit Plan (RBAP) and submit to the Audit Committee by 30 June	RBAP submitted to the Audit Committee by 30 June	All	0	0	0	0	1	1	1	G



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Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14							Corrective actions	
					Target					Actual			
					Q1	Q2	Q3	Q4	Annual				
TL4	Complete the annual risk assessment and submit to the audit committee by 30 April	Completed risk assessment submitted to audit committee by 30 April	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	1	1	0	R	Risk Based Audit Action Plan has been compiled and approved for 2014/15. Schedule for Audit Committee Meetings have been approved with effect of 1 July 2014	
TL7	Submit reports to council on the actual performance into the Top layer SDBIP	Number of Top Layer SDBIP reports submitted to council	All	0	0	1	1	1	3	1	R	The SDBIP will be submitted to Council on a quarterly basis. A PMS Officer has been appointed as of 1 July 2014	
TL10	Submit the top layer SDBIP to the Mayor for approval within 14 days after the approval of the budget	Top Layer SDBIP submitted to the Mayor within 14 days after the approval of the budget	All	1	0	0	0	1	1	1	G	N/A	
TL15	Submit the draft annual report to council by 31 January	Draft annual report submitted to Council by 31 January	All	New performance indicator for 2013/14. No audited comparatives available	0	0	1	0	1	1	G	N/A	
TL16	Submit the Mid-Year Performance Report in terms of sec72 of the MFMA to the Mayor by 25 January	Mid-year report submitted to the Mayor by 25 January	All	1	0	0	1	0	1	1	G	N/A	
TL43	Development skills of staff (Actual total training expenditure/total operational budget)	% of total operational budget spent on training	All	0.62%	0%	0%	0%	0.50%	0.50%	0.14%	R	The target is too high and needs to be revised with the mid-year performance in January 2015 for the 2014/15 financial year, to relate to the amount budgeted	
TL44	Limit vacancy rate to less than 35% of budgeted post (Number of funded posts vacant divided	Vacancy rate of funded budgeted posts	All	15.75%	35%	35%	35%	35%	35%	12.09%	B	N/A	



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Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
	by budgeted funded posts)										
TL45	Implement individual performance management for all managers directly reporting to directors	Number of agreements signed	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	12	12	13	G 2
TL46	Submit Employment Equity report to the Department of Labour by 15 January electronically	EE report submitted electronically by 15 January	All	1	0	0	1	0	1	1	G
TL47	Review the Recruitment and Selection policy and submit to council by 30 April	Reviewed Recruitment and Selection policy submitted to council by 30 April	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	1	1	1	G
TL48	Facilitate the performance assessments of managers directly reporting to directors	Number of performance assessments per annum	All	New performance indicator for 2013/14. No audited comparatives available	0	0	1	0	1	1	G
TL49	Review the Occupational Health & Safety Policy and submit to council by 30 June	Reviewed Occupational Health & Safety policy submitted to Council by 30 June	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	1	1	0	R
TL66	The number of people from employment equity target groups employed in the three highest levels of management in compliance with the equity plan	Number of people employed	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	2	2	2	G

Table 53.: Effective, responsive, people-centered and integrated institution



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f) Ensuring access to basic services by all

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	
					Q1	Q2	Q3	Q4	Annual		
TL28	Spent the maintenance budget for roads and stormwater assets	% of maintenance budget spent	All	99%	0%	0%	0%	90%	90%	92.96%	G 2
TL29	Spent the maintenance budget for sanitation assets	% of maintenance budget spent	All	100%	0%	0%	0%	90%	90%	95.58%	G 2
TL30	Spent the maintenance budget for water assets	% of maintenance budget spent	All	100%	0%	0%	0%	90%	90%	70.07%	O
TL31	Spent the maintenance budget for electricity assets	% of maintenance budget spent	All	98%	0%	0%	0%	90%	90%	93.13%	G 2
TL34	Limit the % water unaccounted for	% of water unaccounted for	All	21.18%	0%	0%	0%	30%	30%	22.3%	B
TL35	Limit the % electricity unaccounted for	% of electricity unaccounted for	All	4%	0%	0%	0%	25%	25%	13.25%	B
TL36	Manage waste water discharge	% quality level of waste water discharge achieved	All	80%	80%	80%	80%	80%	80%	85%	G 2
TL37	Manage water quality level as per SANS 241 criteria	% water quality level achieved	All	95%	95%	95%	95%	95%	95%	99%	G 2
TL42	Upgrade gravel roads to tar roads	Number of kilometers upgraded	All	3	0	0	0	1	1	0	R
TL62	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network	Number of residential properties which are billed for water or have pre-paid meters	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	6,700	6,700	6,000	O
TL63	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas)	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	6,000	6,000	5,472	O



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Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL64	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets)	Number of residential properties which are billed for sewerage	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	5,550	5,550	5,570	G 2
TL65	Number of formal residential properties for which refuse is removed once per week	Number of residential properties which are billed for refuse removal	All	New performance indicator for 2013/14. No audited comparatives available	0	0	0	5,510	5,510	5,564	G 2
TL67	The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's IDP.	% of budget spent on capital projects as identified in the IDP	All	New performance indicator for 2013/14. No audited comparatives available	0%	0%	0%	50%	50%	71.74%	G 2

Table 54.: Ensuring access to basic services by all

g) Provision of a healthy and safe living environment

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL56	Hold road blocks to decrease incidents affecting traffic safety	Number of road blocks held	All	New performance indicator for 2013/14. No audited comparatives available	3	3	3	3	12	165	B

Table 55.: Provision of a healthy and safe living environment



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h) Provision of a sound economic basis as well as a quality environment by practicing sustainable planning and thus promoting the creation of jobs and the expansion of tourism

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14							
					Target					Actual	Corrective actions	
					Q1	Q2	Q3	Q4	Annual			
TL6	Review the Local Economic Development strategy and submit draft to council by 30 June	Draft reviewed LED strategy submitted to council by 30 June	All	0	0	0	1	1	1	G	N/A	
TL26	Create temporary job opportunities with initiatives for labour intensive capital projects	Number of temporary job opportunities created	All	901	0	0	0	200	200	287	G 2	N/A
TL27	Create FTE's (Full term employment) to claim grant from Department of Public works	Number of FTE's created	All	57	0	0	0	52	52	102.7	B	N/A

Table 56.: Provision of a sound economic basis as well as a quality environment by practicing sustainable planning and thus promoting the creation of jobs and the expansion of tourism

i) Sound and sustainable finances

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14							
					Target					Actual	Corrective actions	
					Q1	Q2	Q3	Q4	Annual			
TL11	Submit the monthly sec 71 of the MFMA reports to the council	Number of reports submitted to council	All	12	3	3	3	3	12	12	G	N/A
TL12	Submit the adjustments budget to council for approval by 28 February	Adjustment budget submitted to council by 28 February	All	1	0	0	1	0	1	1	G	N/A
TL13	Submit the main budget to council by 30 May	Main budget submitted to council by 30 May	All	1	0	0	0	1	1	1	G	N/A
TL14	Approve an action plan to address all the issues raised in the management letter of the Auditor General by 31 December	Approved action plan by 31 December by MM	All	1	0	1	0	0	1	1	G	N/A



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Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL21	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	Target achieved	All	17.36	0	0	0	25.3	25.3	7.09	R
TL22	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/revenue received for services)	% achieved	All	12%	0%	0%	0%	18%	18%	37.08%	B
TL23	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	Ratio achieved	All	0.43	0	0	0	1.8	1.8	1.16	R
TL24	Achieve a debtors payment percentage of 95.5%	Payment %	All	94.5%	0%	0%	0%	95.5%	95.5%	100.94%	G 2
TL25	Compile and submit the annual financial statements by 31 August to the Auditor General	Financial statements submitted to the AG by 31 August	All	1	1	0	0	0	1	1	G

Table 57.: Sound and sustainable finances

j) *To empower the residents of the Swellendam by the provision of / and exposure to the necessary training facilities, academic as well as practical skills development*

Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
TL55	Hold exhibitions on identified topics to	Number of exhibitions held	All	New performance indicator for	10	10	10	10	40	311	B



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Ref	KPI	Unit of Measurement	Ward	Previous Year Performance	Overall performance for 2013/14						
					Target					Actual	Corrective actions
					Q1	Q2	Q3	Q4	Annual		
	enhance library awareness			2013/14. No audited comparatives available							

Table 58.: *To empower the residents of the Swellendam by the provision of / and exposure to the necessary training facilities, academic as well as practical skills development*

3.2.2 Service Providers Strategic Performance –

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement.

- ⊕ Service provider means a person or institution or any combination of persons and institutions which provide to or for the benefit of the local community
- ⊕ External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality
- ⊕ Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

During the year under review the municipality did not appoint any service providers who provided municipal services to or for the benefit of the local community on behalf of the municipality and therefore this report contains no such details. All other contract appointments are regularly monitored and ensured, that the requirements of the contract is complied with.

3.2.3 Municipal Functions

a) Analysis of Functions

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes



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Municipal Function	Municipal Function Yes / No
Firefighting services	District Function
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	Yes
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes



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Municipal Function	Municipal Function Yes / No
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 59.: Functional Areas

3.3 COMPONENT A: BASIC SERVICES

This component includes basic service delivery highlights and challenges, includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

3.3.1 Water Provision

a) *Introduction to Water Provision*

The status of the provision of water infrastructure as key municipal service for each of the towns, villages and hamlets in the municipal area are as follows:

Swellendam – The upper reaches of the Klippe River is the main water source for the town of Swellendam. The water source (raw water) for the town of Swellendam is adequate and can accommodate future growth. Water is extracted from the source via a weir into a 450 mm diameter pipe, which is routed to a distribution chamber, from where it is taken by means of a 250 mm diameter pipe to the Swellendam Water Treatment Plant. Surplus water is routed to three conservancy dams, namely Grootkloof 1, 2 and 3. An additional conservancy dam (Grootkloof 4) need to be constructed in future to accommodate future growth. The water treatment plant has been upgraded as far back as 1991. The water treatment plant is in the planning phase to be upgraded to accommodate future demand and for compliance to Blue Drop Certification. Five reservoirs are available in Swellendam to provide storage capacity for potable water. Water pressure and reticulation capacity has been identified in the Bakenskop area of Swellendam, and a second reservoir need to be constructed for the involved area to address the problems experienced. The water reticulation network is adequate, although the completion of various ring feeds in the network can improve water distribution management. Portions of the water reticulation network for Swellendam has been installed as far back as 1921 and need urgent replacement. Water losses suffered through water pipe breakages will also in the near future results in considerable potable water losses, and will affect income streams.

Barrydale – The Huis River is the main water source for both potable and irrigation water for the town of Barrydale. The Municipality has a water right of 78 hours per week from the water source. The water



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withdrawn from the water source is stored in two separate reservoirs for potable water and two dams for irrigation water. To ensure the availability of potable water for future growth and during the dry season, the storage capacity for water must be urgently enlarged. The availability of water for use by the town need to be augmented, and the use of boreholes as sources of water will have to be investigated in the near future. A new water treatment facility was constructed in 2005 for Barrydale. To allow for future growth of the town the capacity of the water treatment facility need to be upgraded again. Purified water is stored in five reservoirs in the reticulation system, for distribution to the various residential areas of the town. To optimize the storage and distribution of potable water, the reticulation system of Barrydale need to be revised and upgraded.

Suurbraak – The water source for Suurbraak is located at the origin of a tributary of the Buffeljags River up in the Langeberg Mountain. The water received from the water source is piped and routed through the Buffeljags River to the water treatment plant in Suurbraak. The water treatment plant has recently been upgraded and has currently a purification capacity of 32 KI per hour. The treatment capacity is currently considered to be sufficient for a population of up to 7 600 people. No storage facility for raw water, before treatment, is currently available and the lack thereof is considered to be a weakness in the water provision system for Suurbraak. The purified water is pumped to five small reservoirs in the reticulation system for Suurbraak, for further distribution. The reservoirs available for the storage of potable water is insufficient and capacity need to be upgraded. The water reticulation system has not been extended yet to even north of the Buffeljags River and the few individuals occupying residency there on a fulltime bases, obtain there water from rainwater storage facilities. The extension of the water distribution network to the involved area is not considered to be presently a priority because of the low occupancy rate of the area and because other urgent priorities need to be addressed first.

Rietkuil – The rural area known as Rietkuil is an adjoining small holding area is presently being supplied by potable water by the Overberg Water Board. The supply of potable water to the Rietkuil area is done by an independent water board under the auspices of the National Department of Water Affairs and Forestry. The transfer of the Rietkuil Water Scheme to the Municipality of Swellendam is presently being negotiated with the National Department of Water Affairs and Forestry.

Buffeljagsrivier – The village of Buffeljagsrivier is supplied with raw water by an open irrigation channel from the Buffeljags Dam. The water is treated in the water treatment plant of the village and then stored in a reservoir for distribution. The capacity of the current water supply storage facility as well as the water treatment plant are not sufficient to accommodate the existing residents of the village in terms of supply demand or to ensure good quality potable water. The water treatment plant



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upgrading is in the planning phase to accommodate future demand and for compliance to Blue Drop Certification. The Buffeljags water reticulation system is also in the planning phase.

Infanta – Water supply for domestic and other uses are provided by the residents themselves, either by means of rainwater collection or from boreholes. Water used is treated individually for domestic consumption. No municipal water provision service is currently rendered to the village of Infanta. Concerns exist about the future use of boreholes, because the area is serviced by soak away sanitation septic tanks, which may be contaminating ground water. Long term solutions for the supply of potable water are presently being investigated. The lack of available water sources for domestic consumption is restricting the further development of the village.

Malagas – Some of the properties in the village have access to potable water supplied by the Overberg Water Board, while others make use of water sources such as rainwater collection, ground water from boreholes or water pumped directly from the Breede River. Water used is treated individually for domestic consumption. No municipal water provision service is currently rendered to the village of Malagas. The emergency housing project presently under construction at Malagas, will place further strain on potable water provision. Long term solutions for the supply of potable water are presently being investigated. The lack of available water supply for domestic consumption is restricting the further development of the village.

Stormsvlei - Water supply for domestic and other uses are provided by residents themselves, by means of rainwater collection, from boreholes or water pumped directly from the Sonderend River. Water used is treated individually for domestic consumption. No municipal water provision service is currently rendered to the hamlet of Stormsvlei, because of various reasons, such as sustainability and viability.

Other rural areas – The Overberg Water Board is the main supplier of potable water to the rural areas. On agricultural holdings rivers and groundwater sources provide water for irrigation and farming purposes. The largest dam in the Swellendam municipal area is the Buffeljags Dam, with a storage capacity of 5 370 thousand million cubic meters of water. Various rural settlements and farm schools are presently experiencing problems with sustainable access to and consistency of water sources, and the quality of the water available for domestic usage. Farm schools are in some instances serviced by municipal water tankers, to supply water for basic sanitation and human consumption. Service delivery contracts for the supply of potable water to communities are presently being negotiated with the Overberg Water Board.



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Water losses are reduced to the minimum, the average water losses for 2013/14 was 22.6%. These losses are measured from the source to the sector meters. These losses include the losses in the purification works.

b) *Highlights: Water Services*

Highlights	Description
Swellendam Water Treatment Works (WTW) (MIG Project)	The project commenced in 2013/14 and is expected to be completed in December 2014. The capacity will then be 7ml/day to stimulate growth and development.
Buffeljags River Reservoir & WTW Upgrades (MIG Project)	Project in design phase. Construction will start in July 2015.
Suurbraak Reservoir & Refurbishment of WTW (MIG Project)	Project in planning phase.

Table 60.: Water Services Highlights

c) *Challenges: Water Services*

Description	Actions to address
There is a shortage of personnel to do the day to day maintenance works as well as limited trained personnel in Engineering Department.	The appointment of additional personnel and training should be provided
Lack of funding to address infrastructure upgrades, backlogs and maintenance.	Make the necessary provision in the budget and apply for additional funding
The municipal vehicles is currently in a poor condition and need to be replaced as soon as possible as it influences service delivery and also poses a safety hazard.	Regular maintenance and investigate the possibility of replacing vehicles.

Table 61.: Water Services Challenges

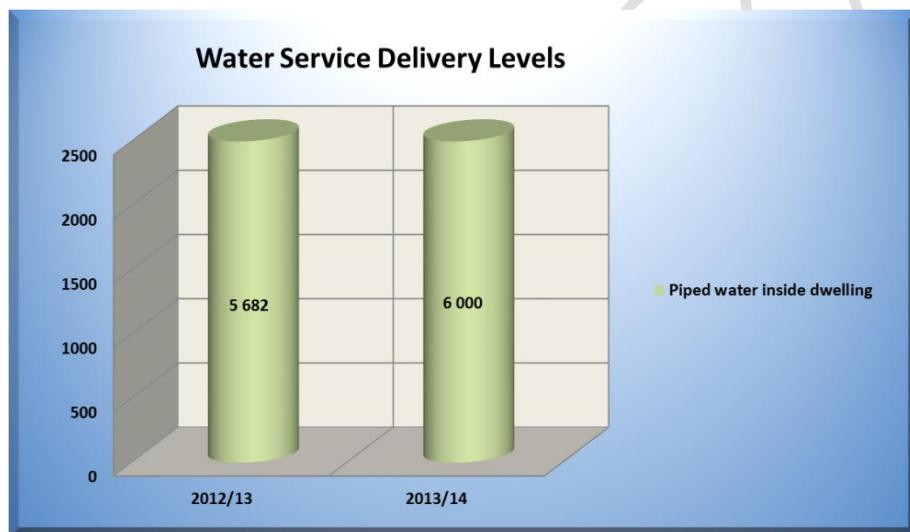
d) *Service Delivery levels*

Water Service Delivery Levels			
Households			
Description	2012/13	2013/14	
	Actual	Actual	
	No.	No.	
<u>Water: (above min level)</u>			
Piped water inside dwelling	5 682	6 000	
<i>Total number reflects the number of residential properties which are billed for water or have pre-paid meters</i>			

Table 62.: Water service delivery levels: Households



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Graph 2.: **Water Services Delivery levels**

e) Employees: Water Services

Employees: Water Services				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	9	0	9	100
4 - 6	8	8	0	0
7 - 9	9	1	8	89
10 - 12	3	2	1	33
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
*P.T.I.	8	8	0	0
Total	37	19	18	49

Table 63.: **Employees: Water Services**



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f) Capital: Water Services

Capital Expenditure 2013/14: Water Services					
Capital Projects	R'000				
	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Barrydale Testing Equipment	10 600	0	0	(10 600)	0
Swellendam Silo Pump station Sump Enlargement	5 500	0	0	(5 500)	0
Swellendam WTW	0	6 570	7 118	7 118	7118
Plant and Equipment	0	18	18	18	18
Land and Building	0	45	45	45	45
New water Reservoir Buffeljags	0	39	39	39	39
Upgrade WWTW Buffeljags	0	54	54	54	54
Upgrade WWTW Barrydale	0	46	46	46	46
Total All	16 100	6 772	7 320	(8 780)	7320

Total project value represents the estimated cost of the project on approval by Council

Table 64.: Capital Expenditure 2013/14: Water Services

3.3.2 Waste water (sanitation) provision

a) Introduction to Sanitation Provision

Swellendam operates 5 Waste Water works, 2 in Swellendam and 1 each in Buffeljagsriver, Suurbraak and Barrydale. All residents have access to basic sanitation services, however the provision of sanitation infrastructure for towns, villages and hamlets of the municipal area, is mainly determined by access to a sustainable water source. Only areas with sufficient available water can be serviced by waterborne sewerage systems. In the absence of such systems, sewage suction services, septic tanks, soak away sanitation facilities and conservancy sewage tanks must be used for sanitation purposes. The status of the provision of sanitation infrastructure as key municipal service for each of the involved towns, villages and hamlets in the municipal area are as follows:

Swellendam – Two sewage treatment plants, namely the Klipperivier Sewage Plant and the N2 Sewage Plant, are presently operated for the town of Swellendam. A decision has been taken by the Municipal Council of Swellendam to close the N2 Sewage Plant and to move the plant to another location. The rationale behind this decision is that the N2 Sewage Plant was located right at the entrance



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of the town in a very narrow urban corridor created by restricting geographical and topographical characteristics of the surrounding area and was restricting the future urban growth of the town of Swellendam. The existing Klipperivier Sewage Plant, located on the north-west urban edge of the town of Swellendam, is in the final staged of upgrading to replace the capacity lost because of the intended closure of the N2 Sewage Plant. The upgrading of the Klipperivier Sewage Plant also allows for the creation of capacity for the future growth of the town of Swellendam for the next 20 year scenario. The existing sewage works are already exceeding their capacity and the upgrading of sewage disposal capacity is a very high priority. The sewage reticulation system for the town of Swellendam is fairly old and need to be upgraded to provide for sufficient level of service for new developments resulting from the densification of the urban area.

Barrydale – The older part of the town of Barrydale is currently being serviced by conservancy sewage tanks, while the newer residential area of Smitsville has a waterborne sewage system. The sewage treatment plant in Barrydale has not been completed and consist presently only of oxidation tanks. The sewage purification system is therefore problematic and need urgent upgrading. The present location of the Smitsville Sewage Plant is also problematic, because it is restricting the future extension of the adjoining residential area (Smitsville) and can only service the Smitsville residential area, because of restricting topography. Consideration must therefore be given for relocation, to provide a sewage treatment plant that can service the whole town of Barrydale, as well as future developments of the town. The present treatment plant is also lacking capacity and need to be expanded significantly to comply too purification standards and to serve the entire urban area. The planning for this project has already started, and the project is considered a priority.

Suurbraak – Nearly all houses (680 units) on the south side of the Buffeljags River have waterborne sewage. Presently all sewage gravitate to a pump station on the north-eastern edge of the town, from where it is being pumped to a sewage treatment plant which is located on the western edge of the town. The pumping system used, require maximum maintenance and must be considered a limiting factor in the effectiveness of the system and the management of capacity. The rising main connecting the pumping station and treatment plant is also inadequate and need to be upgraded. The capacity and quality of the present treatment plant is currently inadequate and cannot accommodate any future growth. Several alternatives are currently under investigation to address the problems experienced. The erven to the north of the Buffeljags River in the town have not yet been provided with waterborne sewage and are making use of conservancy sewage tanks.

Buffeljagsrivier – All houses in the village of Buffeljagsrivier have waterborne sewage connections. The capacity of the present sewage treatment plant is sufficient to serve 400 houses. The location of the present treatment plant is currently limiting future development possibilities.



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Infanta – No waterborne sewage system is used in the village. Sewage is dealt with by means of in-situ conservancy and septic sewage tanks. The replacement of the present sewage system is under investigation, because of the high risk of contaminating the ground water of the village. This problem is presently restricting further development of the village, and a solution is urgently required.

Malagas – No waterborne sewage system is used in the village. Sewage is dealt with by means of in-situ conservancy sewage tanks, septic sewage tanks and soak-away sanitation facilities. A sewage suction service is rendered by the Municipality of Swellendam. Serious concerns have been expressed on the negative impact that the present sewage system might have on the Breede River. The replacement of the present sewage system is currently under investigation.

Other rural areas – A sewage suction service is rendered for households and schools within the rural area. The projection is that this service will need to be extended in future, as the type of sanitation facilities used in the rural area are changed from soak away sewage facilities to conservancy sewage tanks and septic tanks.

b) *Highlights: Waste Water (Sanitation) Provision*

Highlights	Description
“Tarief” Suurbraak Toilets	Providing 12 Waterborne toilets with one communal septic tank
Klippe Rivier Waste Water Treatment Works (WWTW)	Project nearing completion, with only one outstanding phase (the Breede River effluent pipeline)
Buffeljagsrivier WWTW (MIG Project)	Construction Contractor appointed with starting date 1 August 2014
Suurbraak (MIG Project)	Project in design phase and application for EIA submitted

Table 65.: *Waste Water (Sanitation) Provision Highlights*

c) *Challenges: Waste Water (Sanitation) Provision*

Description	Actions to address
There is a shortage of personnel to do the day to day maintenance works as well as limited trained personnel in Engineering Department.	The appointment of additional personnel and training should be provided
Lack of funding to address infrastructure upgrades, backlogs and maintenance.	Make the necessary provision in the budget and apply for additional funding
The municipal vehicles is currently in a poor condition and need to be replaced as soon as possible as it influences service delivery and also poses a safety hazard.	Regular maintenance and investigate the possibility of replacing vehicles.

Table 66.: *Waste Water (Sanitation) Provision Challenges*

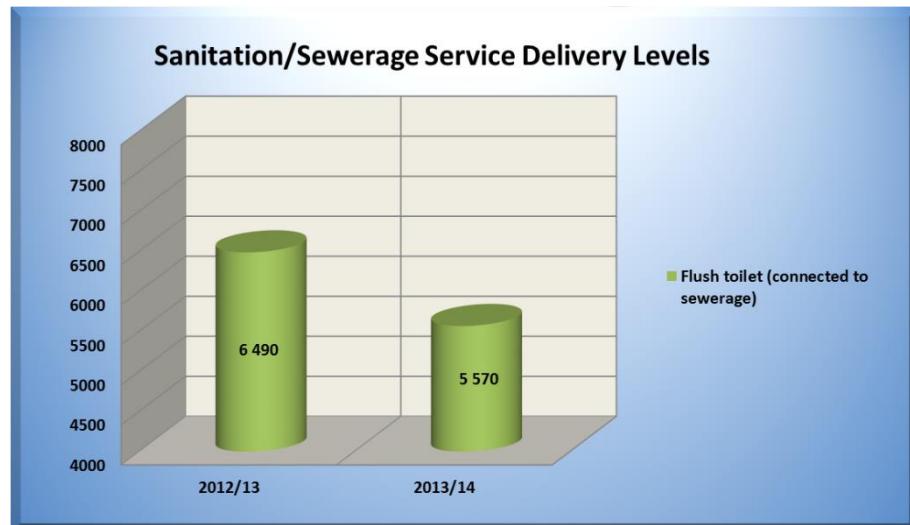


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d) Service delivery levels

Sanitation Service Delivery Levels			
Households			
Description	2012/13	2013/14	
	Outcome	Actual	
	No.	No.	
<u>Sanitation/sewerage: (above minimum level)</u>			
Flush toilet (connected to sewerage)	6 490	5 570	
<i>Total reflects the number of residential properties which are billed for sewerage</i>			

Table 67.: Sanitation service delivery levels



Graph 3.: Waste Water Services Delivery levels

e) Employees: Sanitation

Employees: Sanitation Services					
Job Level	2013/14				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	%	
0 - 3	7	3	4	57	
4 - 6	2	2	0	0	
7 - 9	6	2	4	67	
10 - 12	1	0	1	100	
13 - 15	0	0	0	0	
16 - 18	0	0	0	0	



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Employees: Sanitation Services				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
19 - 20	0	0	0	0
*P.T.I.	6	6	0	0
Total	22	13	9	42

*P.T.I. – personal to incumbent
Employees and Posts numbers are as at 30 June

Table 68.: Employees Waste Water (Sanitation) Provision

f) Capital: Sanitation

Capital Expenditure 2013/14: Sanitation Services					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	R' 000	R' 000	R' 000	R' 000	R' 000
Bakkie	1 500	0	0	(1 500)	0
Swellendam WWTW	30 742	17 742	10 203	(20 539)	10 203
Abatement Plan (All Towns)	9 000	0	0	(9 000)	0
Land and Building	0	27	27	27	27
Tools and Equipment	0	20	20	20	20
Total All	41 242	17 789	10 250	(30 992)	10 250

Total project value represents the estimated cost of the project on approval by Council

Table 69.: Capital Expenditure 2013/14: Waste Water (Sanitation) Provision

3.3.3 Electricity

a) Introduction to Electricity

Local Government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support.

Generated electricity is bought in all instances from Eskom, for further distribution in Swellendam, Barrydale and Suurbraak. Electrical distribution is undertaken by Eskom for all other villages and hamlets, and the rural area of the municipal area.



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Load shedding has resulted in that a vast amount of money has been invested in emergency generators and power supplies to ensure general municipal service delivery in terms of water supply and sewage disposal. As a result of the national electricity generation and distribution limitations, the municipality was also requested to implement specific energy saving measures. One of these is the "Lights on timers to reduce consumption" initiative. All the residents in our area are requested to save electricity especially in peak hours between 06:00 to 08:00 in the morning and 17:00 to 21:00 in the evening.

The status of the provision of electrical infrastructure as key municipal service for the town and villages of Swellendam, Barrydale and Suurbraak are as follows:

Swellendam – The current and projected growth of the town of Swellendam is placing enormous strain on the current electricity network and supply. Considerable upgrading of networks and the bulk provision of electricity are therefore required as a matter of urgency. The completion of an electrical master plan confirmed the constraints and various projects are presently undertaken to address the electrical infrastructural and supply constraints. Capital programs must be put in place to replace old unsafe switchgear and replace old low voltage (LV) Lines.

Barrydale – The Eskom electricity supply to Barrydale, has been resolved by means of the construction of a new 66 kVA main power supply line currently being installed. The new ESKOM substation for firm supply to Barrydale has been completed but the funding of R1.5 million, for the connection is posing to be a huge challenge for the Swellendam Municipality. Budget provisions will have to be made. The electrical distribution infrastructure needs to be upgraded and is recorded as such in the Capital program.

Suurbraak – The current 500 KVA Eskom supply is insufficient for the electricity demand and the Notified Maximum Demand (NMD) of Suurbraak was increased to 750 KVA. Currently many erven in Suurbraak cannot be supplied with electricity because of a limited electrical distribution network. The overhead 11 kV distribution network of Suurbraak is also in need of urgent corrections and maintenance. Master planning for the supply of electricity in Suurbraak has been completed and solutions for the already identified constraints and problems can now be determined for implementation. These matters will receive attention in future capital budgets.

b) *Highlights: Electricity*

Highlights	Description
The master plan for the area in the supply of electricity were completed.	The master plan for the supply of electricity has been completed June 2014 and will address the problems identified.
Suurbraak Highway Lights installed	Installation of lights, all alongside the Main Road running straight through Suurbraak, were completed.



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Highlights	Description
High mast lights have been installed at the Cricket field in Raylton, Sports Grounds Suurbraak and Sports Ground Barrydale.	Lights have been installed in order to ensure better lighting on the playing field surface.

Table 70.: **Electricity Highlights**

c) Challenges: Electricity

Description	Actions to address
The master plan has not been implemented.	Implement the master plan to address key issues/problems.
The high percentage of electrical losses.	The development of an action plan to reduce electricity losses.
A lack of trained/skilled personnel to in terms of Occupational Health and Safety (OHS) Act Standards to deliver services.	Provide training to identified personnel according to Occupational Health and Safety (OHS) Act Standards.
Shortage of staff and vehicles	Funding needs to be made available to fill vacancies and ensure more vehicles is made available for the department.

Table 71.: **Electricity Challenges**

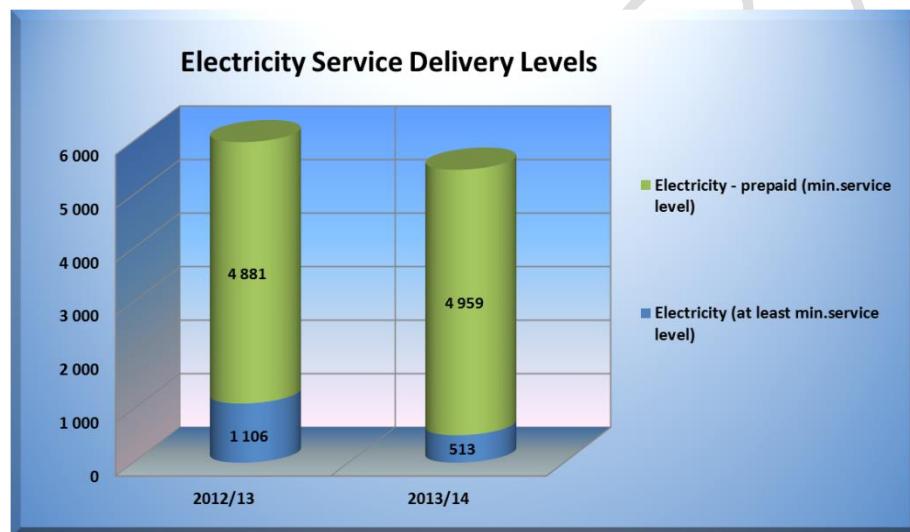
d) Service delivery levels

Electricity Service Delivery Levels			
Households			
Description	2012/13	2013/14	
	Actual	Actual	
	No.	No.	
<u>Energy: (above minimum level)</u>			
Electricity (at least min.service level)	1 106	513	
Electricity - prepaid (min.service level)	4 881	4 959	
<u>Minimum Service Level and Above sub-total</u>	5 987	5 472	
<i>Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)</i>			

Table 72.: **Electricity service delivery levels**



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Graph 4.: **Electricity Services Delivery levels**

e) Employees: Electricity

Employees: Electricity Services				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	10	2	8	80
4 - 6	2	2	0	0
7 - 9	3	2	1	33
10 - 12	5	4	1	20
13 - 15	1	1	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
*P.T.I.	3	3	0	0
Total	24	14	10	42

*P.T.I. – personal to incumbent
Employees and Posts numbers are as at 30 June

Table 73.:

Employees: Electricity services



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f) Capital: Electricity

Capital Expenditure 2013/14: Electrical Services					
Capital Projects	R' 000				
	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Upgrade of Electricity Network	700	700	304	(396)	304
Electricity Connections	0	120	120	0	120
Total All	700	820	424	(396)	424

Total project value represents the estimated cost of the project on approval by Council

Table 74.: Capital Expenditure 2013/14: Electrical Services

3.3.4 Waste management (Refuse collections, waste disposal, street cleaning and recycling)

a) Introduction to Waste Management

Swellendam Municipality renders a solid waste management service equal to all the residents. Waste removal takes place on a one day per week basis for all residents.

The only licensed landfill site is at Swellendam (Bontebok Solid Waste Site). All household refuse from Infanta, Malagas, Suurbraak and Barrydale is transported to the Bontebok site with Municipal refuse trucks. The Swellendam Bontebok landfill site is situated 1.2 km south of the N2, adjacent to the Swellengrebel road leading to the Bontebok National Park. The site can be extended towards the railway line in the South West. Refuse transfer stations have been established at Infanta, Matjieskloof, Lemoenfontein and Malagas where waste is collected on a weekly basis and transported to the Bontebok landfill site. Household refuse from Barrydale, Suurbraak and Buffeljagsrivier is collected on a door to door basis and transported to the Bontebok landfill site.

The Municipality has a weekly waste removal service in Swellendam, Suurbraak, Barrydale and other smaller settlements like Buffeljagsriver where waste in bags are collected and transported to the Swellendam landfill site. Domestic waste are removed from all residential and business zones within Swellendam service area and disposed at the Bontebok landfill site. The service is limited to a black bag system for domestic refuse. Garden refuse must be removed and delivered to the landfill site by the residents themselves. Currently specific recyclable materials are removed and sold by unauthorized salvagers to recycle facilities. The unsalvageable waste material is distributed across the landfill site using a bulldozer.



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The management of the site that posed a huge challenge is currently being addressed. This process has started during September 2013 where it was decided to cover the refuse dump with the prescribed layer of material. The landfill slopes are currently covered by the prescribed gravel layer. The exposed waste on the slopes is now covered effectively. Litter being scattered onto the adjacent land will be reduced to a great extent. The general management and housekeeping practices have also been improved as dumping on site is controlled and excavations for the material to cover the existing dump will be used for future dumping. This project will be completed towards September 2014 and made a huge positive impact on the landfill site.

A post for a Waste Manager has been created with the process of the organizational restructuring process. The refuse removal fleet is old and maintenance cost is extremely high and need to be replaced in the short term to medium term. Compacting machinery will also have to be provided in the short to medium term. Financial constraints prohibited to budget for the above during the 2014 / 2015 financial year.

The Department of Environmental Affairs has approved and is currently busy implementing a project that will address the following:

- ⊕ Cleaning / Waste collection in all towns with work teams in the Swellendam Area.
- ⊕ Developing and implementing a recycling center.
- ⊕ Developing and implementing an Integrated Waste Management Plan (IWMP).
- ⊕ Developing an operational manual to operate the landfill site in line with the permit conditions and;
- ⊕ For specifically the Bontebok Landfill site to:-
 - Fencing the landfill site and;
 - Construct ablution facilities on the landfill site.

From the above it is apparent that cleaning and waste removal and recycling will be dealt with in the near future. The IWMP will be updated. An operational manual for the landfill site will be developed and implemented. Fencing providing for manageable access control and ablution facilities will also be in place in the near future. All in all, a major achievement for the Municipality of Swellendam.

A refuse transfer station has been provided for Infanta where the public deposit their bagged domestic waste. The Infanta landfill site is predominantly used for the disposal of garden refuse and building rubble, which is deposited into a trench. The Infanta landfill site is on privately property.

The transfer station is serviced once a week by a municipal truck that transports the bagged domestic waste to the Bontebok landfill site.



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The Malagas landfill site is an informal landfill site and also situated on private land. The site is in operation since the late 1980's and is used for the disposal of domestic, garden waste and building rubble. The site has not been fenced in and therefore it is not possible to determine the extent.

The Suurbraak landfill site is adjacent to a residential dwelling and shed. It is used to for the dumping of garden waste and building rubble. Household waste of Suurbraak is collected from door to door on a weekly basis and transported to the Bontebok landfill site.

The Barrydale landfill site is used for garden waste and building rubble. Access is controlled and keys need to be collected at the municipal office. Household waste is collected on a one day per week basis from the households and transported to the Bontebok landfill site.

Refuse transfer stations have been erected at several key areas within the boundaries of the Swellendam Municipality. Household waste is deposited by the public and removed weekly by the Municipality. The system reduces the need for a landfill site at every settlement although garden refuse and building rubble still poses a challenge. The refuse transfer stations have fallen into a state of disrepair and need urgent maintenance work. The situation is worsened by scavengers who tear open plastic bags stored in the transfer stations.

The waste management system faces quite a number of challenges that needs to be addressed. The main issue is a lack of funding to properly address these.

All the landfill sites other than the Bontebok landfill is currently in the process of being licensed and or finally to be closed. This process is funded by the Department of Environmental Affairs and finalization of this process is expected to be completed by the end of 2014. In this regard huge financial challenges is expected as licensed landfill sites will have to be operated and rehabilitated and landfill sites to be closed will have to be rehabilitated. Areas where landfill sites will be closed will require transfer stations and equipment and trucks for transportation.



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b) *Highlights: Waste Management*

Highlights	Description
The rehabilitation of landfill site	The rehabilitation of landfill site is currently in progress and is due for completion by the end of September 2014
Refuse Removal	Refuse Removal is being done on a weekly basis. Proper planning is in place to delivery continues and effective services
Waste characterization funded by Province.	Will endorse the Recycling programmes/projects
Waste blown from the site onto the surrounding areas are being properly maintained.	Waste is being covered with the prescribed covering material and cleaning is done on a daily basis.

Table 75.: Waste Management Highlights

c) *Challenges: Waste Management*

Description	Actions to address
Vacancy of Manager: Waste Management	Advertising and filling the vacancy.
Aged refuse removal fleet	The refuse removal fleet will have to be replaced and needs to be budgeted in the short to medium term.
Require a new compactor	A new compactor needs to be acquired and it must be budgeted for in the short to medium term.
Upgrading of existing refuse transfer stations	Transfer station needs to be upgraded and it must be budgeted for in the short term.
Unauthorised salvagers entering the landfill site	Fencing of the landfill site with the Grant funded project.
Consumer waste minimization education programmes	Develop and implement an Integrated Waste Management Plan (IWMP).
Lack of funding available	Investigate possible funding options.

Table 76.: Waste Management Challenges

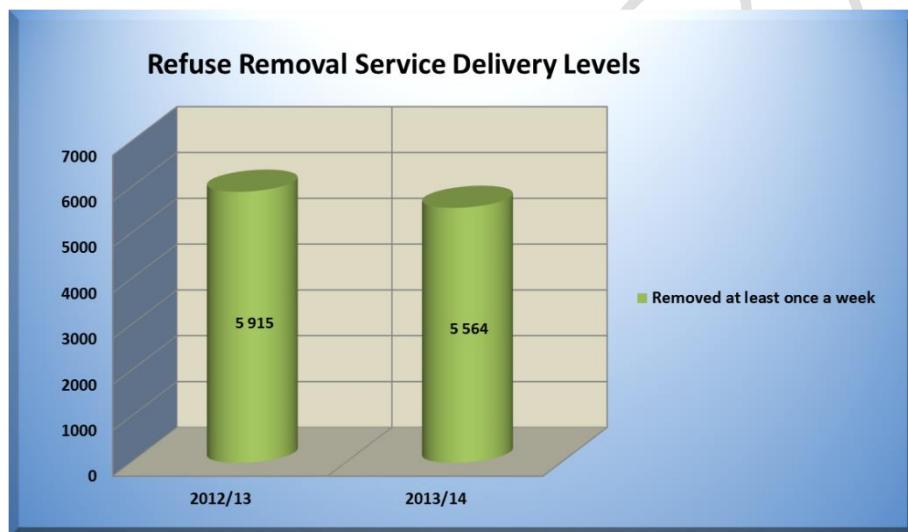
d) *Service delivery level*

Solid Waste Service Delivery Levels		
Description	Households	
	2012/13	2013/14
	Actual	Actual
	No.	No.
<u>Solid Waste Removal: (Minimum level)</u>		
Removed at least once a week	5 915	5 564
<i>Number of residential properties which are billed for refuse removal</i>		

Table 77.: Solid Waste Service Delivery Levels



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e) Employees: Solid Waste

Employees: Solid Waste Services				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	14	10	4	29
4 - 6	2	2	0	0
7 - 9	1	1	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
*P.T.I.	1	1	0	0
Total	18	14	4	22

*P.T.I. – personal to incumbent
Employees and Posts numbers are as at 30 June

Table 78.: Employees: Solid Waste Services



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f) Capital: Solid Waste

Capital Expenditure 2013/14: Solid Waste					
R' 000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	7	7	0	7

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)

Table 79.: Capital Expenditure 2013/14: Solid Waste

3.3.5 Housing

a) Introduction to Housing

The municipality wishes to pursue the delivery of housing, within the framework of National and Provincial policy, by addressing issues of land, services and infrastructure and creating an enabling environment for housing development. It is also committed to ensure that sustainable habitats are created to contribute to the improvement of the living conditions of the poor.

Housing need:

The need for an integrated residential development approach that addresses the whole spectrum of residential needs has been identified and the following main income categories have been considered:

- Subsidy housing >R3 500 per

Site	Property	Units
Subsidy: Priority 1		
Swellendam	Railton	155
Total		155
Subsidy Priority 2 –Serviced sites		
Swellendam	Railton	120
Total		120
Subsidy Grand Total		
		275

Table 80.: Prioritised housing sites



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b) *Highlights: Housing*

Highlights	Description
Railton Housing Project	155 houses were completed of the first phase of 270 and final total of 421. During the implementation of the top structures, the national subsidy norms and standards were improved. This project is one of the first in the Western Cape to benefit from this standard.

Table 81.: Housing Highlights

c) *Challenges: Housing*

Description	Actions to address
Balancing the need for new housing with the limited accessible land is an ongoing challenge.	The Municipality has developed a Human Settlement Plan that identifies medium term projects for planning, to ensure sustainable and continuous housing delivery.

Table 82.: Housing Challenges

d) *Service delivery levels*

The following table shows the increase in the number of people on the housing waiting list. There are currently approximately 3 484 housing units on the waiting list.

Financial year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2012/13	3 890	18.5
2013/14	3 484	(11.5)

Table 83.: Housing waiting list

A total amount of R24 261 000 was allocated to build houses during the financial year under review. A summary of houses built, includes:

Financial year	Allocation	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2012/13	8 029	8 029	100	2	272
2013/14	24 261	17 289	75.3	155	120

Table 84.: Housing

The gazetted-DORA allocation for 2013/14 was R 24 261 000 and funds were spent on the servicing of 120 sites and the building of 155 houses.



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e) Employees: Housing

Job Level	Employees: Housing			
	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
0 - 3	0	0	0	0
4 - 6	0	0	0	0
7 - 9	1	1	0	0
10 - 12	1	1	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	2	2	0	0

Employees and Posts numbers are as at 30 June

Table 85.: Employees: Housing

f) Capital: Housing

There were on Capital Budget for 2013/14.

3.3.6 Free Basic Services and Indigent Support

a) Introduction

Basic municipal services are rendered to all urban areas and some rural areas within the municipal boundaries. Lack of funding is restricting progress with the extension of basic services to areas still requiring services or the upgrading of existing services. Basic services are currently rendered in towns and villages as follows:

- Barrydale: All households receive electricity, water, sanitation and refuse removal
- Infanta: 63 households receive basic services for refuse removal
- Buffeljagsriver: All households receive basic services for water, sanitation and waste removal. ESKOM supply electricity to all households
- Suurbraak: All households receive electricity, water, sanitation and refuse removal
- Malagas: All households receive refuse removal
- Swellendam: All households receive electricity, water, sanitation and refuse removal
- Businesses: All businesses receive electricity, water, sanitation and refuse removal
- Farms: No basic services



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The table below indicates the households that received free basic services in the 2013/14 financial year:

Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2012/13	8 517	5 887	69.1	5 884	69	1 611	18.9	1 611	18.9
2013/14	7 373	5 962	80.8	6 310	85.6	1 754	23.8	1 754	23.8

Table 86.: Free basic services to households

Financial year	Electricity								
	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000
2012/13	1 611	50	771	4 276	20	818	224	20	43
2013/14	1 754	50	840	4 208	20	806	224	20	43

Table 87.: Free basic Water services to indigent households

Financial year	Water					
	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH (kl)	Value R'000	No. of HH	Unit per HH (kl)	Value R'000
2012/13	1 611	6	922	4 273	6	2 445
2013/14	1 754	6	1 104	4 556	6	2 868

Table 88.: Free basic Water services to indigent households

Financial Performance 2013/14: Cost to Municipality of Free Basic Services Delivered			
Services Delivered	2012/13		2013/14
	Actual		Actual
	R'000		
Water		3 367	3 972
Electricity		1 632	1 689
Sanitation		3 463	4 127
Refuse removal		1 752	2 096
Total		10 214	11 884

Table 89.: Financial Performance 2013/14: Cost to Municipality of Free Basic Services Delivered



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3.4 COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

3.4.1 Roads

a) *Introduction to Roads*

The Swellendam Municipality area has 88km paved road systems, which include tar and block paving. The estimated replacement value is around R200 million and the average condition can be rated as fair, as per Pavement Management System (PMS). The estimated funding backlog in terms of operation and maintenance in 2008 was R35 million, with a R25 million short term and R31 million medium term backlog. 21% of the surfacing and structural component of system is in poor to very poor condition.

It is clear that the priority is general maintenance which includes pothole repair, reseal, crack sealing, base failure and surface failure. Minor maintenance was done during the 2012/13 year through the operating budget, with no capital projects, since no capital funds were available.

The department's overall strategy is to eliminate the backlog that currently exists. This can only be achieved by attending to the necessary rehabilitation and reseal backlogs. The greatest concern is, however, the lack of a sustainable funding source. The current operating funds available for roads are 1% of the replacement value.

Statistics taken and adjusted from the Pavement Management System (PMS) 2008. It is the intention of the municipality to review the Pavement Management System (PMS) during the 2014/15 financial year.

The current backlog is around R55 million for surfacing and structural projects. To address this proves problematic, since no capital budget for roads was available for the last three years. Funds were made available through MIG to address roads and storm water issues in one of the housing projects to the value of R16 million. During the 2012/13 financial year R8.5 million were spent and R3 million in the 2013/14 financial year.

The shortage of staff was partially addressed by the EPWP program, but vacancies should still be filled to optimize the departments operations. Pothole repairs and other maintenance programs were short-lived, since pipe bursts were the primary activity for maintenance teams during the 2013/14 financial year. All of these were backfilled and repaired by the roads department, interfering with planned maintenance works.

The department's top 3 priorities are:



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- ⊕ Maintain existing streets – partial impact, no capital budget available.
- ⊕ Provide proper access for every resident – average impact, small portion of complaints received.
- ⊕ Rehabilitate old infrastructure – no impact, no capital budget.

b) *Highlights: Roads*

Highlights	Description
Upgrading of roads in Rondomskrik, Swellendam.	Upgrading roads from gravel to paved standards. Project is currently in progress and will be completed in September 2014
Upgrading of Skoolstraat in Suurbraak.	Upgrading road from gravel to paved standards. Project is currently in progress and will be completed in September 2014
Impeccable response times of staff for emergencies	Even though there is a lack in staff the time it took to complete emergency work was fast and of high quality.

Table 90.:

Roads Highlights

c) *Challenges: Roads*

Description	Actions to address
Eliminate backlog such as the reseal, resurfacing and routine maintenance done due to a lack of funding.	Reseal, resurfacing, routine maintenance needs to be addressed continuously if funding is available
Out-dated Pavement Management System (PMS).	The review of the PMS in the new financial year
Lack of staff capacity.	Vacancies needs to be advertised and filled.
Vehicle fleet shortage	Funding needs to be made available in order to purchase more vehicles.

Table 91.:

Roads Challenges

d) *Services delivery levels*

Gravel Road Infrastructure: Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2012/13	35	0	4.5	20
2013/14	35	0	0	20

Table 92.:

Gravel road infrastructure

Tarred Road Infrastructure: Kilometres				
Year	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted
2012/13	85	4.5	0	0
2013/14	85	0	0	0

Table 93.:

Tarred road infrastructure



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Tar roads are being maintained as reports of problems are received or as maintenance is required.

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Financial year	New & Replacements	Resealed	Maintained
	R'000		
2012/13	8 500	0	1 850
2013/14	3 000	0	2 126

* The cost for maintenance include stormwater

Table 94.: Cost of construction/maintenance of roads

e) Employees: Roads

Job Level	Employees: Roads				
	2013/14				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	%	
0 - 3	17	1	16	94	
4 - 6	15	12	3	20	
7 - 9	2	2	0	0	
10 - 12	2	2	0	0	
13 - 15	0	0	0	0	
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
P.T.I.*	5	4	1	20	
Total	41	21	20	49	

*P.T.I. – personal to incumbent

Employees and Posts numbers are as at 30 June

Table 95.: Employees: Roads

f) Capital: Roads

Capital Expenditure 2013/14: Roads					
Capital Projects	R' 000				
	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Swellendam Roads	0	2 589	1 929	1 929	1 929



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Capital Expenditure 2013/14: Roads					
Capital Projects	R' 000				
	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Roads	0	45	45	45	45
Total	0	2 634	1 974	1 974	1 974

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

Table 96.: Capital Expenditure 2013/14: Roads

3.4.2 Waste water (Stormwater drainage)

a) Introduction to Stormwater Drainage

Stormwater systems exist in most of the residential areas. In informal and low cost housing areas provision are made through open channels and side drains. Some provisions were made in the latest low cost housing project.

Stormwater master planning needs to be conducted in Railton, Smitsville, Buffeljagsrivier and Suurbraak to rectify issues, since little to no systems exists there. Financial provision will be made to compile master plans for these areas, but due to budget constraints it seems that only Railton can be included in the study to be done during 2014 /2015. Maintenance are done daily and consist of opening/cleaning of catch pits and manholes, side drains and open channels.

Several claim applications and assessments were submitted to the Disaster Management Department for flood damages which occurred in November 2013 and January 2014.

b) Highlights: Waste Water (Stormwater Drainage)

Highlights	Description
Provisions were made for open channels and side drains in the latest low cost housing project	Total infrastructure has been created at housing project.
The Flood damage claims (Flood of November 2013 – January 2014) has been submitted for assessment.	Awaiting the assessment of the claims submitted in order to finalise matter.

Table 97.: Waste Water (Stormwater drainage) Highlights



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c) Challenges: Waste Water (Stormwater Drainage)

Description	Actions to address
Waste Water Master Plan to be developed for Infanta, Suurbrak, Barreydale, Raylton and Buffeljagsrivier	Funding to be made available for the development of this plan.
Shortage of staff	Vacancies needs to be advertised and filled.
Vehicle Fleet shortage	Budget needs to be provided for the purchase of new vehicles.

Table 98.: Waste Water (Stormwater drainage) Challenges

d) Employees: Waste Water (Stormwater)

Employees: Waste Water				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	6	4	2	33
4 - 6	2	1	1	50
7 - 9	2	0	2	100
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
P.T.I.*	2	2	0	0
Total	12	7	5	42

*P.T.I. – personal to incumbent
Employees and Posts numbers are as at 30 June

Table 99.: Employees: Waste Water (Stormwater drainage)

e) Employees: Mechanical workshop

Employees: Mechanical Workshop				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	1	0	0
4 - 6	0	0	0	0
7 - 9	0	0	0	0



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Employees: Mechanical Workshop				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
10 - 12	1	1	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
P.T.I.*	0	0	0	0
Total	2	2	0	0

*P.T.I. – personal to incumbent
Employees and Posts numbers are as at 30 June

Table 100.: Employees: Mechanical workshop

f) Capital: Stormwater

There were no Capital Budget for 2013/14.

3.5 COMPONENT C: PLANNING AND LOCAL ECONOMIC DEVELOPMENT

3.5.1 Planning

a) Introduction to Planning

The municipality provides a full town planning and building control service in the area. The Town Planning and Building control unit also provides law enforcement relating to municipal planning and building control.

The challenges faced in this respect relates to the absence of building plans for quite a few building structures within the municipal area. The municipal council, in an attempt to correct the current situation, has motivated property owners to submit building plans of existing buildings to the municipality. Owners of newly acquired properties are also requested to, upon purchase, submit building plans in attempt to update the current database.

Another challenge is the addressing of illegal building works and structures. Council implement a grace period during which owners of illegal building works and structures are requested to submit plans for approval in order to avoid fines and further legal action.

House shops also poses further challenges for the municipality. The purpose of a house shop is to grant the opportunity to a household, living in the house, to generate an income by managing the business



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themselves. However, it has become an increased tendency for owners to lease the house shops and therefore transgresses the approval granted.

b) *Highlights: Planning*

Highlights	Description
The Town Planning and Building Control division implemented an integrated Geographic Information System (GIS) during the past year. The GIS system was financed through the Municipal Systems Improvement Grant and is of great value with regard to improved service delivery and productivity in general.	The base map of the GIS consists of a cadastral layer that can be linked to an aerial photo, zoning register, infrastructure plans, bio-diversity maps, property details (like ownership, size, SG diagrams), etc. The result is that property related enquiries in general can be addressed effectively within a very short time span.
Establishment of Aesthetic and Conservation Committees	The policy for the establishment of an Aesthetic and Conservation Committee has been revised in order to provide for the establishment of independent Aesthetic and Conservation Committees in all areas.

Table 101.: Planning Highlights

c) *Challenges: Planning*

Description	Actions to address
As a result of current National and Provincial land use planning law reform processes, new land use planning legislation is foreseen for 2014/15. This legislation will change the role and responsibilities of municipalities with regard to municipal planning significantly. Most of the land use planning applications, which is currently being dealt with by the Provincial Government, will become a municipal responsibility. Appeals on municipal decisions will then also not be dealt with by the Provincial Government but will become a core function of municipalities. The workload on the town planning section will not only increase but also the professional responsibility with regard to the evaluation and recommendations on applications will become more important. The new legislation will therefore possibly require that only registered professional town planners sign off on recommendations to the relevant decision makers in the municipality such as a tribunal that also needs to be constituted.	<p>The following actions need to be addressed:</p> <ul style="list-style-type: none">• New legislation requires the municipality to establish a municipal planning tribunal and a system of delegations.• Since the number of applications to be dealt with will potentially increase the need for proper administration will also increase as well as the appointment of another registered professional town planner to cope with the already high work load.• The increased workload as well as appeals that could potentially result in court cases should be provided for in the budget.
Absent Building plans	Motivate owners to submit as build building plans and requests that by selling a property, the estate agents ensure that a as build building plan be submitted to the municipality
Illegal buildings and structures	A grace period was granted for owners to submit as build building plans and pay the necessary building plan fees. Fines were exempted. New fines were approved by the magistrate.

Table 102.: Planning Challenges



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d) Service statistics: Planning

Detail	Applications for Land Use Development					
	Formalisation of Townships		Rezoning		Built Environment	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
Planning application received	1	1	68	74	173	191
Determination made in year of receipt	1	1	56	60	142	141
Applications withdrawn	0	0	1	2	0	0
Applications outstanding at year end	0	0	9	11	32	50
Awaiting DEA&DP decision	0	0	2	3	0	0

Table 103.: Applications for Land Use Development

Type of service	2012/13	2013/14
Building plans application processed	173	191
Total surface (m ²)	16 776.95m ²	14 908.35 m ²
Approximate value (Rand)	83 884 750	81 995 925
Land use applications processed	68	69

Table 104.: Additional Performance Town Planning and Building Control

e) Employees: Planning

Job Level	Employees: Planning				
	2013/14				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	1	1	0	0	0
10 - 12	2	1	1	50	
13 - 15	1	1	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
P.T.I.*	0	0	0	0	0
Total	4	3	1	25	

Employees and Posts numbers are as at 30 June

Table 105.: Employees: Planning



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f) Capital: Planning

Capital Expenditure 2013/14: Planning					
Capital Projects	R'000				
	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	0	145	127	127	127

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)

Table 106.: Capital Expenditure 2013/14: Planning

3.5.2 Local Economic Development (Including Tourism and Market places)

a) Highlights: LED

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
The reviewed LED document was adopted by Council on the 24 June 2014	The Department of Economic Development and Tourism (DED&T) conducted a LED Maturity Assessment and the feedback /recommendation to the Municipality was to hold back the reviewing of the LED Strategy until further notice from DED&T, who will introduce us to the Genesis and PACA process. These LED tools will further guide and inform the review and/or development of LED strategies in the district. As confirmed by DED&T at the IDP Indaba 2 of 13 February 2014, these processes are due to be rolled out in the Overberg during the 2014/15 financial year.

Table 107.: LED Highlights

b) Challenges: LED

The following challenges with regard to the implementation of the LED strategy are:

Description	Actions to address
The appointment of LED staff within the unit to roll out the GENESIS and PACA processes in the Overberg District with the assistance of Department of Economic Development & Tourism	<ul style="list-style-type: none"> • Acquire the necessary funding • Capacitate the LED unit • Structures to support LED • Monitoring and evaluation systems to sustain the LED procedures.

Table 108.: Challenges LED



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c) LED Strategy

In revising LED as a strategy, Swellendam Municipality is encouraging and enabling people and stakeholders at all levels to participate in the local economic decision making which explores creativity and builds entrepreneurship at all levels of society in a more vigorous way. Given the challenges that are faced with job creation and poverty eradication, the reviewed strategy aims to build a platform for bringing all on board in working towards solutions. The interventions and agreements with SEDA and small enterprises were very disappointing and the intention to develop and support these business, failed. The District Municipality and the B-Municipality are currently in the process to receive training and support from the Department Economic Development and Tourism to capacitate our units. This Provincial LED assistance will be implemented in the new financial year.

The LED strategy identifies various issues and strategic areas for intervention such as:

Strategic areas	Description
Tourism Development	The function is outsources to Swellendam Tourism Organisation – Municipal funding
Business and Enterprise	<ul style="list-style-type: none">• Feasibility of Enterprise Centre• Investment Promotion• SMME Support• Brick Making Initiative• To support Agriculture
Skills and Education	<ul style="list-style-type: none">• Increase of Employability Initiative• Funding Bid for a Comprehensive Skills Audit• Funding Bid for Trades Training• Basic Business Skills Training Programme in partnership with Department of Labour• Funding Bid: Establish a FET Centre
Infrastructure	<ul style="list-style-type: none">• Water, Energy and Basic Services• Business Sites• Informal Trading Areas• Public Transport Service: Initial study• Infrastructure backlog review• Skills Development Centres

Table 109.: LED Strategic areas

The table below identifies the economic activity within the different sectors:

d) Tourism

Overview

The tourism sector in Swellendam is dominated by hospitality (*accommodation and restaurants*) who primarily service Foreign Independent Travelers (FITs) using Swellendam as a one-night stopover to



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break the journey from Cape Town to the Garden Route. This sector is highly competitive and extremely seasonal. Swellendam needs to maintain its advantage in this segment but also combat seasonality by promoting winter breaks and events and diversifying into domestic tourism, sports and business tourism. Most of all we need to make better use of our natural and cultural heritage to become seen as a viable multi-day activity-holiday destination. Tourists make choices about where to visit based on availability of unique and special experiences, not just for excellent accommodation and food (which they can find anywhere in South Africa). Our challenge is to provide more reasons to choose the Swellendam area over our competitors, which means creating and packaging more and better activities, events and experiences with our hospitality offerings to inspire more and longer visits.

Economic Impact

The contribution of Tourism to the overall economy of the Swellendam Municipal Area is estimated at ~20%, making it the second-largest sector after Agriculture. Available data is incomplete and outdated, but best estimates are that Tourism sustains around 3,000 local jobs and contributes around R200m earnings to the local economy annually. Some of the greatest value in this comes from foreign direct investment which contributes to rates income, creates jobs and supports not only the tourism sector but also the real estate, building, general retail trade and motor sectors.

The economic impact of tourism is most likely underestimated due to the informal nature of certain activities and poor data collection & reporting (*most tourism activities are private concerns and/or secondary occupations; owners don't tend to report or share information freely*).

Growth and Transformation

It is widely accepted that Tourism is the economic sector with the most potential to bring about sustainable economic growth, jobs and benefits to disadvantaged communities, but inadequate planning and funding support has been allocated to this need. This is traceable to a lack of awareness in communities and political structures of how tourism operates, which has led to a view that tourism is somehow an elitist private-sector activity beyond the reach of and irrelevant to the general public. This is a major obstacle to the development and transformation of tourism and requires the urgent attention of the industry and local government.

Functional Management

The Municipality outsources its statutory obligations in respect of Tourism to the Swellendam Tourism Organisation (STO) through a Service Level Agreement (SLA) supported with an annual allocation; in 2013-14 this amounted to R1.06m. The breakdown of this budget is as follows:



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Administration ~75%

This provides for all the staff, location and running costs of the tourism information offices at Swellendam, Barrydale and Suurbraak as well as communications, travel, professional fees, auditing and all other ancillary costs.

Marketing ~20%

This goes to producing tourism literature and to represent the Destination Brand locally and beyond at shows, events and by electronic means. The STO does NOT market its members - they market themselves - STO only markets the destination.

The marketing budget is supplemented by membership fees and self-generated advertising / event-support income totaling approximately R150k per annum.

Development ~5%

This provides for tourism-related training and indirect support to emerging entrepreneurs and local community-building events and activities. STO does not fund or make grants to businesses, but provides advice and material/marketing support.

This section of the budget is supplemented by external funds raised by the STO to contribute to tourism-related social needs; for example, STO administers a targeted feeding scheme in Suurbraak and a school sports feeding scheme in Railton that brings vital nutritional support to the most vulnerable in society. These programmes will contribute over R500k to the local economy in 2014.

In summary: The high proportion of budget spent on administration as compared to marketing and development clearly indicates that the overall budget is too small. In order to properly fulfil our mandate in terms of the Service Level Agreement a budget of R2 million would be a minimum of which half would be for Marketing. The municipality cannot afford this and nor can we hope to make up this gap from membership fees, hence STO needs to grow its budget through external sources. The only practicable means would be through grant support to enable STO to conduct commercial activities that generate sufficient income to fund Marketing.

Employment

STO employs a total of 6 full-time staff and 7 part-time staff, as follows:

1x General Manager based at Swellendam: reporting to the STO Executive Committee (*unpaid volunteers elected annually by members*). This role involves providing board support, overall HR, operational and financial management as well as responsibility for strategic tourism development and project planning, political liaison, serving on relevant committees, fundraising and marketing.



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1x Brand Manager: funded from the marketing budget this role involves promoting the Republic of Swellendam brand and contributing to all tourism literature and marketing activities.

3x Senior Tourism Officers: One in Swellendam doubles as Admin Officer; another in Suurbaak is 100% dedicated to community development and the CRDP process; and the third is in Barrydale.

1x full-time Tourism Officer in Swellendam

4x part-time tourism officers: one in Swellendam, one in Suurbaak and two in Barrydale

1x General Worker in Swellendam.

The STO creates an additional 3 jobs in Suurbaak through placement of an intern from the Community Work Programme as well as employing two kitchen staff to prepare and serve meals for the targeted feeding scheme.

e) *Informal Street Trading*

The Municipality identified a number of street trading areas in the central town and leases it out to informal street traders. There are no under roof covered areas for this purpose. Street trading mainly operates in the busiest areas of the towns.

f) *Employees: LED*

Employees: Local Economic Development				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	0	0	0	0
7 - 9	0	0	0	0
10 - 12	0	0	0	0
13 - 15	1	0	1	100
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	1	0	1	100

Employees and Posts numbers are as at 30 June

Table 110.: Employees: Local Economic Development

g) *Capital: LED*

There were no Capital Budget for 2013/14.



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3.6 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.6.1 Libraries

a) *Introduction to Libraries*

Libraries are really becoming the “One stop information centres” in the different communities. With the exception of Buffeljagsrivier, all libraries have free internet access for the public. Buffeljagsrivier will receive their computers and internet during the 2014/15 financial year and the staff are ready and excited for the new venture. The Buffeljagsrivier study hall has also been completed.

The greater Swellendam municipal area is proud of Barrydale public library that was awarded with the title of “Best small library of the year” in the Western Cape. The Barrydale Ratepayer Association also nominated the three staff members as, The Citizens of 2014.

Another milestone for libraries was the opening of Malagas Wheelie Wagon in May 2014. It is well supported under local inhabitants.

Staff members of Railton and Swellendam public libraries were also approached by Correctional Services to do a programme for World Book Day. After the success of the programme they were approached to do the same programme at Helderstroom Correctional Facility. All libraries have containers available for the public for book donations for Correctional Services. The professional staff survive any obstacle thrown at them and they enjoy reaching out to others, especially senior citizens and pre-schoolers.

b) *Highlights: Libraries*

Highlights	Description
Awards received	<ul style="list-style-type: none">Barrydale was awarded best Small Library in the Western Cape for 2013/14.The Barrydale Library staff (3) was chosen by the Taxpayers Association, as the Citizens of the year, for 2014.
Buffeljagsrivier Library: Additional building	Building of the study hall was completed.
Railton, Buffeljagsrivier and Swellendam Libraries visited Buffeljagsrivier Prison.	The Libraries visited the Prison in celebration of World book day, which is on 23 April every year.
Suurbraak Library : Internet facilities	In 2013 the Library got Internet facilities for the public.
Swellendam Library turned 175	In 2013 Swellendam Library celebrated their 175 th birthday.
Malagas Wheelie Wagon	The Wheelie Wagon opened in May 2014.

Table 111.: *Libraries Highlights*



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c) Challenges: Libraries

Description	Actions to address
Suurbraak Library needs Study hall	This project needs to be budgeted for or funding must be sourced
Swellendam Library : It's difficult to make changes cause the building is too small	Library extension should be investigate.

Table 112.: Libraries Challenges

d) Services delivery levels

Type of service	2012/13	2013/14
Library members	7 677	8 104
Books circulated	163 725	175 371
Exhibitions held	300	302
Internet users	13 500	11 770
Children programmes	175	227
Visits by school groups	45	72
Book group meetings for adults	30	30
Primary and Secondary Book Education sessions	20	15

Table 113.: Service statistics for Libraries

e) Employees: Libraries

Employees: Libraries				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	3	0	3	100
4 - 6	3	3	0	0
7 - 9	9	9	0	0
10 - 12	0	0	0	0
13 - 15	1	1	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	16	13	3	19

Employees and Posts numbers are as at 30 June

Table 114.: Employees: Libraries



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f) Capital: Libraries

Capital Expenditure 2013/14: Libraries					
Capital Projects	R'000				
	2013/14		Actual Expenditure	Variance from original budget	Total Project Value
Computers - Hardware/Equipment	0	2	2	2	2
Extensions to the Buffeljagsriver Library	0	319	320	320	320
Furniture and Office Equipment	0	75	12	12	12
Land and Building	0	193	184	184	184
Total	0	589	518	518	518

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)

Table 115.: Capital Expenditure 2013/14: Libraries

3.6.2 Cemeteries

a) Introduction to Cemeteries

The Municipality is responsible for 7 cemeteries within the area of which 2 is situated in Swellendam, 3 in Barrydale and 2 in Suurbraak. These cemeteries are maintained on a continuous bases generally in good condition.

b) Highlights: Cemeteries

Highlights	Description
Maintenance of Cemeteries	All 8 cemeteries are maintained, neat and clean. Very few complaints were received regarding the condition of cemeteries as dedicated staff were appointed to maintain the cemeteries.
Management and operation	A proper and effective booking and management system (manual) regarding burial information is in place
Extension of cemeteries	The existing areas are sufficient to cope with the future demand and sufficient provision has been made for extensions.

Table 116.: Cemeteries Highlights



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c) Challenges: Cemeteries

Description	Actions to address
Absence of Pauper burials policy	A policy needs to be developed regarding pauper burials
Management and operation (electronic)	Electronic Burial management system must be implemented to increase the effectiveness and to availability of information
Collapsing of Graves	The high water level in the Swellendam area causes that graves collapses. The municipality must take precautionary steps with the digging of graves.
Vandalism	Community awareness and involvement in protection of Cemeteries

Table 117.: Cemeteries Challenges

d) Service Statistics: Cemeteries

Type of service	2012/13	2013/14
Pauper burials	2	6

Table 118.: Service stats for Cemeteries

e) Capital: Cemeteries

There were no Capital Budget for 2013/14.

3.7 COMPONENT E: ENVIRONMENTAL PROTECTION

3.7.1 Environmental Protection

a) Introduction to Environmental Protection

Certain environmental functions are the responsibility of the Swellendam Municipality and include Air- and Noise pollution, coastal protection, biodiversity and landscape; and coastal protection.

The National Estuarine Management Protocol (NEMP) was published in May 2013 and has caused confusion on the division of powers and functions between the Swellendam Municipality and the Provincial Department of Environmental Affairs. It seems that the overarching management over the Breede River is now a provincial function. The control over the Breede River is currently done in terms of a service level agreement between the Municipalities of Hessequa and Swellendam and the Lower Breede River Conservancy Trust (LBRCT). Both these municipalities have promulgated a By-Law on the control and management of the Breede River. However, it seems that the following estuarine matters within the jurisdiction of the Swellendam Municipality are now a municipal competency:

- To institute invasive alien vegetation clearing and management according to the Integrated Invasive Vegetation Management Plan.



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- ⊕ To actively promote a better understanding, appreciation, use and conservation of the limited natural resources within the municipal area (including biodiversity, soil, water and energy) by the owners and staff of, and visitors to, the area.
- ⊕ Environmental Officers have to be appointed to manage and control the environmental issues.
- ⊕ Promotion of the conservation of the environment (biophysical, socio-economic and cultural historic characteristics).
- ⊕ Promotion of the integrated management of Reserves and natural areas within the municipal jurisdiction.
- ⊕ To develop and maintain high quality visitor infrastructure, facilities and recreational activities along sound financial lines.
- ⊕ To enhance the tourist potential of the Swellendam Municipal area through the actions mentioned above.
- ⊕ Managing the interface between the Natural and Urban Environment, for example Baboon Management. Baboons are becoming an increasing challenge in the Barrydale area.

The challenges in this regard are:

- ⊕ To obtain funding for the above functions
- ⊕ To generate sustainable funding for environmental management

Coastal Management

Swellendam Municipality has addressed the cleansing and cleaning of the public beach at Infanta as well as the maintenance of infrastructure (signs, trails, paths, benches, ablutions, boardwalks and bridges). Areas still to be addressed are the registration of slipways and jetties and the development of coastal setback lines. The latter being a responsibility of the Overberg District Municipality (ODM).

Bio-Diversity and Landscape

Coastal Setback Lines: The Overberg District Municipality and Department of Environmental Affairs and Development Planning introduced the Coastal Setback line process for the Overberg Region. Currently the public participation process is underway for tender review in order to finalize the setback lines for the relevant Overberg Municipalities.

Pollution Control

The Municipality must establish a specialised unit for air quality. At this stage one of the Law Enforcement Officials has been dedicated as an Air Pollution Control Officer. An Air Quality Plan must be developed.



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Noise control is a specialised function for which no capacity exists. Ideally a shared service agreement with the ODM must be entered into for both the Air pollution and noise control functions.

b) *Highlights: Environmental Protection*

Highlights	Description
Service level Agreement	The Service Level Agreement with the LBRCT to manage and control the Breede River and the estuary is a great benefit for the municipality. The LBRCT has professional people in the service for environmental control and the fact that the cost can be shared by both Hessequa and Swellendam Municipalities is a further benefit.
Maintaining of firebreaks	The Municipality maintains a number of fire breaks in the area.

Table 119.: Environmental Protection Highlights

c) *Challenges: Environmental Protection*

Description	Actions to address
Estuary Management Plan (EMP)	The lack of an estuary management plan to be developed by DEADP in terms of NEMP is a concern for the municipality in order to clarify the roles of the various spheres of government.
Legal challenges to the authorities regarding management of the river and estuary	A court case is pending and the outcome will clarify this issue.
DAFF also undertook to revisit the opportunity for a new MOU with Swellendam Municipality.	An MOU between Swellendam Municipality and the department of Agriculture, Fisheries and Forestry expired in 2011 regarding certain marine living resources compliance issues. Previously these compliance issues were delegated to the Swellendam Municipality and managed by the LBRCT as part of the SLA. Currently Compliance is continuing with consent from DAFF but without a signed MOU or funding.
By-laws	A number of By-laws relating to environmental issues need to be drafted and promulgated i.e. coastal access; air pollution, noise control etc.
Registering of Slipways and Jetties	All slipways and jetties must be registered.
Strategic Environmental Management Framework (SEMF)	The Municipality must draft and approve a SEMF
Invasive Alien Clearing	A major concern in the area. Specific action plans will be developed and implemented with collaboration between municipality and landowners being essential.
Environmental Education	Expansion of environmental education efforts needs to be focused on, especially during the months of December and January.
Coastal management programmes	A Coastal Management Plan is currently being developed by Overberg District Municipality

Table 120.: Environmental Protection Challenges



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d) Lower Breede River Conservancy Trust (LBRCT) environmental activities

Inspections at slipways	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Recreational River boats	453	210	217	296	190	1 366
Recreational Sea boats	55	21	35	34	42	187
Commercial Sea Boats	2	2	1	1	1	7

Table 121.: Inspections at slipways

The LBRCT has four appointed Environmental Law enforcement officers who are appointed in terms of the Municipal By-laws as well as the Marine Living Resources Act.

There are six public slipways which need to be checked. The majority of anglers use the estuary for fishing as well as for access to the sea and need to be checked in terms of fish catches and compliance to the municipal by-laws. The LBRCT records catch statistics which are sent to the relevant Department of Agriculture, Forestry and Fisheries (DAFF) scientists.

Patrols	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Vehicle/Motorbike Patrols	99	56	76	53	180	464
Foot Patrols	55	19	21	26	36	157
Boat Patrols	101	53	120	69	76	419

Table 122.: Number of Patrols

There are over 500 slipways and jetties on the Swellendam side on the estuary. The best way (and sometimes only way) to check these boats is on the water by patrol boat. The LBRCT checks boats and can reach the hard to reach places where bait organisms are being removed. Boat patrols are also used to check other environmental concerns such as illegal developments and contraventions in terms of NEMA. The LBRCT is expected to conduct site inspections for development applications as well as EIA's.

Foot patrols are also used to reach difficult areas and are the main method used to check bait collectors

No. of Fish outlet inspections	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Restaurant	3	2	5	5	3	18
Fish Shop	3	1	1	1	1	7
Hotel	1	1	1	1	1	5

Table 123.: Fish Outlet Inspection



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This is an important control method to ensure that no recreational fish is sold illegally.

Commercial Fisheries inspections	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Line fish	2	2	1	8	5	18
Oysters	17	9	8	8	8	50

Table 124.: Commercial Fisheries Inspections

Commercial catches are monitored as operators have certain permit conditions and quotas that need to be complied with. No commercial fishing is allowed in the estuary.

Warnings(W) and prosecutions (P)	Q1 -2013		Q2 -2013		Q3 -2013		Q4 -2013		Q1 2014		Total	
	W	P	W	P	W	P	W	P	W	P	W	P
MLRA	33	2	13	5	13	4	21	6	24	5	85	22
Municipal Bylaw	33	2	6	5	8	2	14	4	12	3	73	16
NEMA	4	0	0	0	0	0	3	0	1	0	8	0
Total fine amounts (R Value)	5 300		7 500		3 000		6 000		5 000		26 800	
(W) warnings and (P) prosecutions												

Table 125.: Warnings and Prosecutions

e) Environmental Education and Liaison Activities

Liaison Meetings	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Number of meetings	27	35	24	47	22	155

Table 126.: Liaison Meetings

The LBRCT/municipality is represented at all the major local conservation initiatives, including the Municipal Coastal Committees, Overberg Integrated Conservation Group and Breede River Estuary Advice Forum, just to name a few.

Educational Presentations	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Number of education activities	16	2	1	11	4	34
Number that attended	184	35	30	117	33	399

Table 127.: Educational Presentations

The LBRCT has kept up regular educational activities and presentations to improve the knowledge of local communities. Topics of presentations are kept around local issues and have been well received.



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There is also a monthly Conservator Report that is sent out to a wide support base that focuses on conservation of the Breede river estuary.

Media releases	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Local information	2 800	800	0	0	0	3 600
By-Law Information	2 400	400	200	1 000	450	4 450
DAFF Do's and Don'ts	1 300	400	200	400	380	2 680
By-Law notices	600	0	0	0	0	600
Monthly conservator reports	450	3 200	3 200	3 200	0	10 050
Article in News paper	0	1	1	12	3	17
Social media (Facebook)	Daily postings					

Table 128.: Media releases

Special events and workshops	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Number of events	9	8	5	3	1	26

Table 129.: Special Events and Workshops

Angling Competitions	Q1 -2013	Q2 -2013	Q3 -2013	Q4 -2013	Q1 2014	Total
Number of competitions	4	1	3	3	2	13
Number of anglers	55	18	27	27	42	169

Table 130.: Angling Competitions

The Municipal Bylaw requires any activity such as fishing competitions, regattas and other events to be registered with the municipality.

g) Capital: Environmental Protection

There were no Capital Budget for 2013/14.

3.8 COMPONENT F: SECURITY AND SAFETY

This component includes: traffic; law enforcement; fire and disaster management

The Swellendam municipality is eager to ensure a safe environment for the public, personnel and councillors of the municipality. The municipality therefore makes use of private security firms to ensure the safety of the personnel and councillors, as well as members of the public that visit municipal offices. The Council chambers are under camera surveillance and specialised security forces are contracted to oversee the security during council meetings. Traffic services also assists in this regard. Security is restricted to the main office building in Voortrekker Street and the engineering offices and stores in



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Lindt Street, Swellendam. All municipal buildings are equipped with alarms systems connected to armed response security.

The municipality needs to work towards improving relations with the SAPS. The situation in the central business area of Barrydale has become a major challenge and a full time law enforcement officer man the area on Friday afternoons and Saturday mornings. Regular meetings with SAPS in Barrydale is scheduled on Friday mornings in order to coordinate the actions for the weekend. The use of a vacant municipal building in Swellendam has been granted to the Neighbourhood Watch in Swellendam, free of charge.

3.8.1 Law Enforcement

a) *Introduction to Law Enforcement*

Law Enforcement is basically a SAPS function and the municipal services in this regard is restricted to policing of Municipal By-laws. The aim of the Swellendam Municipal Law Enforcement Unit is to ensure obedience to Municipal By-laws and to create an environment that will further the social and economic development of the community. It is of utmost importance that the community feel safe and can participate without fear and prejudice in the affairs of the municipality. The quality of life of the inhabitants and the visitors is dependent on a healthy and safe environment and therefore the municipal By-Laws must be adhered to.

The community and their families must feel safe to make use of and relax in public open spaces and municipal facilities. The nuisances created by culprits must be addressed efficiently and effectively. The challenges faced in this regard relates to the division of powers between the local and district municipality and the grey areas that were created. Furthermore unfunded mandates are enforced on municipalities to assist with provincial competencies such as environmental control. A lack of trained staff to cope with air pollution and noise control is a major challenge to overcome. Negotiations on District level is engaged in order to investigate the possibility of shared services in this regard. A number of By-Laws is outdated and need to be reviewed. The By-laws on nuisances, fireworks and industrial effluent is high priority.

b) *Highlights: Law Enforcement*

Highlights	Description
Streamlined approach	The Law Enforcement Officer reporting to the Traffic Department and the Law Enforcement Officer reporting to Town Planning and Building control are now working in close relationship and share responsibilities.



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Highlights	Description
By-law Enforcement	A high priority is placed on by-law enforcement and the Law Enforcement Officers appointments have been renewed.
Additional capacity	One of the existing officials in Barrydale with a valid certificate in Law Enforcement has been appointed as an additional Law Enforcement Officer and are on duty after hours and over weekends.

Table 131.: Law Enforcement Highlights

c) Challenges: Law Enforcement

Description	Actions to address
Public ignorance towards By-laws	Create awareness of the importance of the by-laws through regular news publications and awareness campaigns
Outdated By-Laws	A by-law project has been implemented in order to review outdated by-laws, draft new by-Laws and update fines.
Court overloaded with cases – municipal cases withdrawn	Establishment of a Municipal Court
Capacity constraints: Shortage of Permanent staff: decentralised structure	Two full time Law Enforcement Officers in different departments and one temporary officer after hours is not sufficient. More permanent staff is needed to improve our service and a centralized unit will also be advisable. The new organisational structure provides for a proper centralised Law Enforcement unit. The budget will have to be revisited in order to implement the new structure.
Operational Challenges	The Law Enforcement Officer in Swellendam makes use of his own vehicle, a sedan motor car. We need a proper vehicle, preferably a pickup marked as Law Enforcement that can be used to transport persons that have been arrested.

Table 132.: Law Enforcement Challenges

e) Employees: Law Enforcement

Employees: Law Enforcement					
Job Level	2013/14				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	%	
0 - 3	0	0	0	0	
4 - 6	0	0	0	0	
7 - 9	2	2	0	0	



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Employees: Law Enforcement				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	2	2	0	0

Employees and Posts numbers are as at 30 June

Table 133.: Employees: Law Enforcement

f) Capital: Law Enforcement

There were no Capital Budget for 2013/14.

3.8.2 Traffic Services

a) Introduction to Traffic Services

The Municipality renders a comprehensive traffic service including traffic law enforcement, road markings, road traffic signs and law enforcement in general. We endeavor to educate and create a culture of compliance and willingness to obey to traffic law, rules and regulations and operate on the legal mandate of NRTA 93/96 and NLTA 5/2009. Operational activities inter alia include roadblocks, high visibility, random vehicle checkpoints, execution of traffic related warrants and traffic laws and policing of municipal by-laws.

Traffic also partner with other Law enforcement agencies, like the S.A.P.D, Nature reserve, Lower Breede River Conservancy Trust (LBRCT) and Provincial Traffic services to minimize road deaths and other crime related problems.

b) Highlights: Traffic Services

Highlights	Description
Traffic service rescheduled to have a more visibility in the town areas.	The service programme has been rescheduled and traffic officers are now more frequently visible in the town areas.
By-law Enforcement	Law Enforcement has system called Education Management Information System (EMIS) in place to record all cases received. The system is a job card system which assist the department in ensuring that all



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Highlights	Description
	cases received are attended to, completed and feedback is provided to the public. Control Book is another way of keeping and tracing records for terms of reference in the near future.

Table 134.: Traffic Services Highlights

c) Challenges: Traffic Services

Challenges	Actions to overcome
Public ignorance towards By-laws	Conduct awareness campaigns to inform the public on the importance of by-laws.
Disaster Management Plan	A disaster management plan was drafted by the previous Manager: Traffic Services in the first half of the book year but with his resignation the plan has not been presented to council. A plan will have to be drafted for approval by council.
Court overloaded with cases – municipal cases withdrawn	Time frame to get convictions too long.
Vacancy on senior level	The Position of Manager: Traffic Services has been vacant since January 2014 and must be filled as soon as possible.
Shortage of Permanent staff	More permanent staff is needed to improve our service especially in the remote areas.
Operational Challenges	We experience a severe challenge of trained staff to act as and when one of the clerks at the public service point are off sick. We will have to embark upon a rotation system to have more trained staff available to man the public office and cashiers counter.

Table 135.: Traffic Services Challenges

d) Additional Performance Service statistics for Traffic Services

Details	2012/13	2013/14
Motor vehicle licenses processed	10 088	10 028
Learner driver licenses processed	663	685
Driver licenses processed	1 608	1 004
Driver licenses issued	2 878	3 178
Fines issued for traffic offenses	Provincial 6 800/Mun 515	Provincial/Mun 8 588
R-value of fines collected	1 057 935	3 465 950
Roadblocks held	30	165
Complaints attended to by Traffic Officers	30	27
Number of road traffic accidents during the year	330	381



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Details	2012/13	2013/14
Number of officers in the field on an average day	4	4
Number of officers on duty on an average day	2	2

Table 136.: Additional performance Service Statistics for Traffic Services

e) Employees: Traffic Services

Job Level	Employees: Traffic Services				
	2013/14				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	%	
0 - 3	5	1	4	80	
4 - 6	2	1	1	50	
7 - 9	4	4	0	0	
10 - 12	8	6	2	25	
13 - 15	1	0	1	100	
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
P.T.I	1	0	1	100	
Total	21	12	9	43	

Employees and Posts numbers are as at 30 June
P.T.I. – personal to incumbent

Table 137.: Employees: Traffic Services

Capital: Traffic

Capital Expenditure 2013/14: Traffic					
Capital Projects	R'000				
	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	0	5	5	5	5

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)

Table 138.: Capital Expenditure 2013/14: Traffic



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3.9 COMPONENT G: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

3.9.1 Introduction to Sport and Recreation

In terms of our mandate we make facilities available to the broader community such as sport fields. The municipality is responsible for development of the facilities and the upgrading thereof whilst the sport clubs leases the facilities and needs to maintain it. The municipality develops and maintains community parks, halls, camp sites and caravan parks. This service places an enormous financial burden on the municipality as it cannot be economically managed. The vast spread area demands a duplication of basically all services in all areas. The following infrastructure presently exist: Sport grounds for rugby, soccer and netball.

a) *Highlights: Sport and Recreation*

Highlights	Description
Vodacom Rugby Match	The Swellendam Rugby Club hosted the Vodacom game between SWD Arende and Boland on 22 March 2014.
Upgrading of sport fields and facilities	The Swellendam, Barrydale and Buffelsjagsriver sports fields were upgraded during the year.
Installation of pre-paid metering for electricity at sports fields	The municipality has decided to install prepaid meters at all sports fields (fields and club houses) to increase the payment of electricity usage and to increase the saving of electricity by avoiding the unnecessary use of flood lights.
Renewal of agreements	The municipality has decided that all the Sports clubs must renew their lease agreements for a period of six months as from 1 July 2014 as the council will embark upon a new system of utilisation of sports grounds which will be investigated during the first half of the new financial year.

Table 139.: Sport and Recreation Highlights

b) *Challenges: Sport and Recreation*

Description	Actions to address
Lack of maintenance of sport facilities by sport clubs.	The council will investigate a new system of utilisation of sports facilities in the first half of 2014/15.
Lack of funding for the upgrading of sport facilities.	The lack of funds is a great concern in order to upgrade the sports facilities. Application will have to be made to the provincial government for funding in this regard.



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Description	Actions to address
The operation, management and maintenance of the caravan parks and resorts.	The operation, management and maintenance of recreation facilities has become a burden for the council. The council has decided to investigate the possibility of contracting out the operation, management and maintenance of the Swellendam Resort and the Barrydale caravan park.

Table 140.: Sport and Recreation Challenges

d) Employees: Parks & Recreation

Employees: Parks & Recreation				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	21	11	10	48
4 - 6	16	13	3	19
7 - 9	4	4	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
P.T.I	11	10	1	9
Total	52	38	14	27

Employees and Posts numbers are as at 30 June

Table 141.: Employees: Parks & Recreation

e) Capital: Sport and recreation

Capital Expenditure 2013/14: Sport and recreation					
R'000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	0	27	27	27	27

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate)

Table 142.: Capital Expenditure 2013/14: Sport and recreation



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3.10 COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: executive and council; financial services; human resource services; ICT services; legal services; and procurement services.

3.10.1 Executive and Council

This component includes: Executive office (mayor; councilors; and municipal manager).

a) *Highlights: Executive and Council*

Highlights	Description
Ward Committee Meetings	All 5 wards are functional and attended by ward committee members.
SMAF – Swellendam Municipal Advise Forum	A platform where the Mayor inform or the stakeholders could participate/contribute to the IDP/Budget.
Housing – Ward 5	Handover of houses in Ward 5
IDP	IDP meetings (2013-14) Inputs on the priority list of the 5 year IDP – Annual IDP and Budget review

Table 143.: *Executive and Council Highlights*

b) *Challenges: Executive and Council*

Description	Actions to address
Training of ward committee members	Dates to be confirm by the Speaker and Province
Awareness and satisfactory survey	The events is scheduled for 2014/15

Table 144.: *Executive and Council Challenges*

c) *Employees: Executive and Council*

Job Level	Employees: Executive and Council				
	2013/14				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
0 - 3	1	1	0	0	0
4 - 6	0	0	0	0	0
7 - 9	13	9	4	31	
10 - 12	5	4	1	20	
13 - 15	6	5	1	17	
16 - 18	2	2	0	0	
19 - 20	0	0	0	0	



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Employees: Executive and Council				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
MM & Directors	5	4	1	20
Total	32	25	7	22

Employees and Posts numbers are as at 30 June

Table 145.: Employees: Executive and Council

3.10.2 Financial Services

a) *Introduction: Financial Services*

Sound financial management practises are essential for municipalities. The major challenge for municipalities is long term financial sustainability. The Municipal Financial Management aims at directing municipalities in a sustainable financial environment and to modernise financial management practices. The act places municipalities on a financially sustainable footing and supports co-operative government between all spheres of government. Successful implementation of the provisions of the act will maximise the capacity of municipalities to deliver services to their residents, users and customers.

The benefits of municipal finance management reform will materialise only if the municipality genuinely transforms itself by making a fundamental break from past practices and focuses its efforts on a performance-driven approach to service delivery. The MFMA and other related national legislation aim to help municipalities establish a new performance-based management culture. Modernising municipal finance management will mean that municipalities will perform better, and have better measurable outcomes, well crafted, credible budgets, reformed practices, improved disclosure and reporting, and more sustainable service delivery.

b) *Highlights: Financial Services*

Highlights	Description
Financial recovery plan completed	An approved financial recovery plan implemented in conjunction with Provincial Treasury addressing the backlog and non-compliant issues
Payment rate	The payment rate of debtors are over 100%
Reconciliations	Bank and debtor reconciliation updated

Table 146.: Financial Services Highlights



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c) Challenges: Financial Services

Description	Actions to address
Revenue enhancement plan to be completed	The findings to be implemented
The recruitment of skilled staff	To make sure that skilled staff is appointed to enhance the service delivery to the residents.
To comply with all legislations	Finalise the purchases of the compliance program with assistance of Provincial Government.
To strive for a better audit report	To balance all financial systems on a monthly basis
To improve the managerial situation in IT	To appoint an IT manager

Table 147.: Financial Services Challenges

d) Employees: Financial Services

Job Level	Employees: Finance			
	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
0 - 3	0	0	0	0
4 - 6	8	5	3	38
7 - 9	25	20	5	20
10 - 12	5	4	1	20
13 - 15	3	2	1	33
16 - 18	1	1	0	0
19 - 20	0	0	0	0
P.T.I	2	2	0	0
Total	44	34	10	23

Employees and Posts numbers are as at 30 June

Table 148.: Employees: Financial services

3.10.3 Human Resource Services

a) Introduction to Human Resource Services

Human Resources Management and Development

This department is responsible for the Human Resources Management- functions which include the following:

- Organisational Efficiency and Improvement



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- Staffing in relation to recruitment, selection and appointments
- Administration of employee benefits
- skills development and training
- Occupational health and safety
- Labour relations
- Employee wellness (EAP)
- Performance management
- Employment Equity

Organisational Efficiency and Improvement

This function endeavors to develop, implement and maintain a structure that is effective and can maintain the organisational and individual productivity required for efficient service delivery to the community of Swellendam and surrounding towns under its municipal jurisdiction. The review of the organizational structure of the Swellendam Municipality and the identification of critical posts were key areas for consultation with the two unions at the Local Labour Forum and at various other management forums over the past year. This process has started in all earnest when PWC was afforded a tender in May 2013 to do a "Structure Review" and to draft corresponding job descriptions for all employees in the Task- format. Job description are now in the process of being formulated for each post and after completion will be evaluated by a TASK –Job Evaluation Committee. The outcomes of this process promise to alleviate historical and current tensions which are often based on perceptions and/or suspicions of discrimination, unfavorable bias or prejudice.

Staffing Function

Various pieces of legislation govern this function and prescribe in detail how tasks must be performed in order to ensure a legal, fair and transparent process that protects the rights of employees or outside candidates who apply for positions. A revised organogram was accepted by the two unions at the Local Labour forum in June 2013 after a long consultative process. Critical posts were identified as part of this review process and a number of these posts were already filled as the statistics suggest elsewhere in the report. The fact that four Directors and a Municipal Manager were appointed during the period under review indicate the progress that has been made in this functional area.

Some of the challenges that remain unresolved include the scarcity of local candidates with appropriate skills to fill vacant posts, the ever increasing costs to appoint candidates with relevant qualifications and experience, the costs of advertising and the additional cost that relocation of new staff can bring



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about to municipalities in rural areas. The focus of this function remains the filling of critical posts which are directly related to service delivery and legal compliance.

Four new Financial Interns were appointed during the 2013/14 financial year. Their general conditions of employment were set out in the Municipal Finance Management Act and the guidelines supplied by the National Treasury. The Internship Programme is funded by the National Treasury. All four contracts will provide much needed capacity while they are in training over the next two years.

Administration of Employee Benefits

The administration of the various types of leave and benefits is done on SAMRAS-software. During the 2013/14 financial year, great strides were made in this functional area. All leave is now captured and stored electronically and the system can now with the press of a button give required information or leave status of employees. It is envisaged that the number of leave days available to employees will in future be printed on their pay-slips on a monthly basis as soon as the payroll- and leave systems are synchronized.

Skills development and Training

The Municipality has an obligation in terms of the Skills Development Act, No 97 of 1998, to develop its employees by providing training for them. Training plans are drawn up annually and are submitted to the Local Government Education and Training Authority (LGSETA). The biggest challenges facing this function include the following:

- LGSETA is under administration due to its inconsistent and poor functioning nationally.
- The Western Cape office is responsive but due to capacity problems it cannot manage its workload in a manner that will offer better and more support to municipalities in rural areas.
- There is still no dedicated municipal official to handle this function and tasks are shared among already overstretched officials in the HR-department
- There is not a dedicated, centralized budget for training and development
- LGSETA funds are conditional to volumes of paperwork and bureaucratic processes with endless delays and uncertainties.

Despite the challenges, during the period under review, the following courses were offered:

■ Minimum Competency Training

This course is offered by the University of Stellenbosch in terms of the Municipal Minimum Competency Regulation (Gazette 29667 of June 2007), which was issued by the National Treasury. The purpose is to improve financial management skills and municipalities are required to comply with this Regulation by September 2015.



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LGAAC

A number of employees registered and completed the Local Government Accounting Certificate. This Learnership is funded by the Local Government SETA and the implementation authority is the South African Institute of Chartered Accountants (SAICA). Training is provided by a trainer under the auspices of the Association of Accounting Technicians of South Africa to develop the financial capabilities of officials in the employ of Municipalities Nationally. 3 of our employees completed the Advanced Certificate and as soon as a new provider is appointed, we will enroll further employees.

Task Job Evaluation Training

Ten employees successfully completed a two-day training course in TASK- job evaluation which was offered by Deloitte.

Plumbing Trade Tests Passed

Four plumbers in the Engineering Services Department successfully completed their trade tests to become qualified plumbers. Their newly obtained status is a driving force for many artisans to commit themselves to further studies or to do their trade tests.

Occupational Health and Safety

The Occupational Health and Safety Act (85 of 1993) and the Compensation for Occupational Injuries and Diseases Act (130/1993) govern this field in South Africa. The first law intends to protect employees against accidents and diseases and the second set procedures in place to compensate employees who suffered injury or contracted diseases when control measures fail. Both these laws have stiff penalties and even prison sentences when it is proven that the employer was negligent or deliberately ignored his duties and responsibilities as outlined in these laws.

Swellendam Municipality has made consistent efforts during the year under review to meet its legal obligations in terms of these laws. Regular quarterly Health and Safety Committee meetings were convened with a training session in December 2012 to further inform and empower Health and Safety Representatives to perform their functions in a professional manner. The minutes of the Health and Safety Committee is tabled for discussion at Local Labour Forum (LLF) meetings and issues raised are taken up with the relevant line management to ensure that corrective action is taken. A Departmental Health and Safety Committees in the Engineering Services Directorate also meet regularly to discuss and identify risks in their environments. Personnel are required to comply and wear their Personal Protective Equipment in accordance with the general conditions and responsibilities of the employee as stipulated in the Act and take ownership for their own and their colleagues' safety. A Protective Clothing and Equipment Policy was consulted in the LLF and approved by Council.



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The number of injuries on duty and the causes thereof is monitored and these statistics are made available to the health and safety committee and the LLF.

Labour Relations

During the 2013/14 financial year great strides were made in the building of relationships amongst employees and between management and employees. This was achieved through better communication and the opportunity that was given to employees to voice their concerns. The employees appreciated the meetings that were held with them by Human Resources in their workplaces to explain changes and procedures.

The local labour forum meets monthly and there are a huge improvement in the effective functioning thereof. Organised labour and the Employer are more focused on resolving issues. Important policies and the new organizational structure were consulted in the LLF and were accepted by all parties.

We had to deal with a few matters where employees were guilty of serious misconduct and those employees were dismissed and some resigned before the disciplinary hearings could be finalised. Some of these matters were disputed and challenged by organised labour, but in all instances it was found at arbitration that the dismissals was procedurally and substantively fair.

We were also successful to recover a large amount of money from one of our employees who were dismissed for gross negligence after a disciplinary hearing.

Corrective measures with regard to less serious misconduct are our current focus areas. We identified the habit of some employees who come late for work in the morning and after lunch and some who leave their workplace without permission or valid reasons. One of the reasons for this becoming a habit is the fact that supervisors are not fully equipped to manage and to deal with disciplinary matters. The Labour Relations Officer is currently assisting the supervisors in this regard and training to develop our supervisors will take place in the 2014/15 financial year.

Employee Wellness

In the light of the financial constraints facing Swellendam Municipality, it is at present not possible to have a fully-fledged programme with dedicated official/s to deal with vulnerable employees or their families that are:

- Stressed and depressed due to work or personal situation
- Dependent on drugs / alcohol
- Experience trauma like divorce, domestic violence or death of family,
- Diagnosed with chronic and life threatening disease



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Despite the above-mentioned fact, the Human Resource department continues to coordinate support for employees in distress.

Performance Management

The Service Delivery and Budget Implementation Programme (SDBIP) of the Municipality was refined in March 2013 to further monitor service delivery and budget implementation. Performance Management has only been implemented on a Municipal Manager and Section 57 appointment level in the past. A decision was taken in May 2013 to cascade this process down to Task job level 13. Further training is already scheduled and planned for August 2014.

Employment Equity

The Employment Equity Plan for the Municipality must be taken into consideration when posts are filled and race, gender and disability status must be in line with the goal set for the specific occupational level in which the vacant post falls. The Employment Equity Report for 2014 was drafted and submitted electronically to the Department of Labour in January 2014.

A fresh "Employment Equity Plan" must be drawn up and submitted in January 2015. The formulation process must be done in conjunction with all the stakeholders, including the two unions. This process will start in August 2014. Training will be facilitated by the Department of Labour and consultation in this regard will be done at the Local Labour Forum.

b) *Highlights: Human Resources*

Highlights	Description
The review of the organizational structure	The review of the organizational structure of the Swellendam Municipality and the identification of critical posts were key areas for consultation with the two unions at the Local Labour Forum and at various other management forums over the past year.
Appointment of critical positions	The fact that four Directors and a Municipal Manager were appointed during the period under review indicate the progress that has been made in this functional area.
Four new Financial Interns were appointed during the 2013/14 financial year.	The Internship Programme is funded by the National Treasury. All four contracts will provide much needed capacity while they are in training over the next two years.
The administration of the various types of leave and benefits is done on SAMRAS-software.	All leave is now captured and stored electronically and the system can now with the press of a button give required information or leave status of employees.

Table 149.: Human Resources Highlights



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c) Challenges: Human Resources

Description	Actions to address
The scarcity of local candidates with appropriate skills to fill vacant posts.	Investigate options to fill vacancies
Lack of training regarding disciplinary matters.	The Labour Relations Officer is currently assisting the supervisors in this regard and training to develop our supervisors will take place in the 2014/15 financial year.
Financial constraints to implement appropriate employee wellness support programmes	Investigate funding possibilities
New Employment Equity Plan	A new Employment Equity Plan must be compiled and submitted in January 2015

Table 150.: Human Resources Challenges

d) Employees: Human Resource Services

Employees: Human Resource Services				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	0	0	0	0
7 - 9	2	2	0	0
10 - 12	2	2	0	0
13 - 15	1	1	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	5	5	0	0

Employees and Posts numbers are as at 30 June

Table 151.: Employees: Human Resource services

e) Employees: Office Cleaners & Messengers

Employees: Office Cleaners & Messengers				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	0	1	100
4 - 6	2	2	0	0



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Employees: Office Cleaners & Messengers				
Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
7 - 9	0	0	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
P.T.I.*	4	4	0	0
Total	7	6	1	14

*P.T.I. – personal to incumbent
Employees and Posts numbers are as at 30 June

Table 152.: Employees: Office Cleaners & Messengers

3.10.4 Procurement Services

a) Highlights: Procurement Services

Highlights	Description
New database of prospective suppliers	A newly developed database on the financial system which is the platform for centralized procurement
New contract register	A new contract register was developed, however more work is required in this regard
Revised Supply Chain Management (SCM) and Preferential Procurement Policy	Council approved and adopted a new SCM Policy to ensure compliance to the latest MFMA prescripts
Monitoring of supplier performance	Started to monitor long-term and construction contracts on performance
Decrease of deviations	Deviations decreased by 26.17% from the previous financial which bring a total decrease of almost 50% from the past two financial years

Table 153.: Procurement Services Highlights

b) Challenges: Procurement Services

Description	Actions to address
Non-compliance with policies and regulations	Internal controls requires further attention and improvement
Lack of planning and linking demand to the budget	The procurement planning requires further attention and improvement
Too many decentralised procurement	Procurement will need to be centralise



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Description	Actions to address
Inadequate contract management and administration	Contracts should be monitored, expenditure on contracts should be reported, unfair amendments or variations must be avoided
Inadequate reporting	Improve reporting by improving data captured
Inadequate delegations in place	A system of SCM delegations need to be implemented in order to reduce administration burden on AO and to speed-up processes
Risk Management	Assessment of procurement and contract management risks
Lack of capacity, skills e.g. human resources	Appropriate structure and personnel is a key success factor for proper SCM
Standard Operating Procedures	Develop standard operating procedures to create institutional memory

Table 154.: *Procurement Services Challenges*

c) Service Statistics for Procurement Services

Description	Total No	Monthly Average	Daily Average
Requests processed	8 687	724	37
Orders processed	8 127	678	34
Requests cancelled or referred back	560	47	2.4
Extensions	5	0.4	0.02
Bids received (number of documents)	126	11	1
Bids awarded	36	3	0.15
Bids awarded \leq R200 000	27	2.25	0.12
Appeals registered	2	0.17	0.008
Successful Appeals	0	0	0

Table 155.: *Service Statistics for Procurement Division*

d) Details of Deviations for Procurement Services

Type of deviation	Value of deviations	Percentage of total deviations value	Value of deviations	Percentage of total deviations value
			2012/13	2013/14
Clause 36(1)(a)(i)-Emergency	123 646	5.47	163 353	9.78
Clause 36(1)(a)(ii)-Sole Supplier	1 636 370	72.34	721 873	43.24



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Type of deviation	Value of deviations	Percentage of total deviations value	Value of deviations	Percentage of total deviations value
	2012/13		2013/14	
Clause 36(1)(a)(v)- Impractical / impossible	501 955	22.19	784 269	46.98
Total	2 261 971	100	1 563 864	100

Table 156.: Statistics of deviations from the SCM Policy

3.11 COMPONENT I: SERVICE DELIVERY PRIORITIES FOR 2014/15

The main development and service delivery priorities for 2014/15 forms part of the Municipality's top layer SDBIP for 2013/14 and are indicated in the table below as per Strategic Objective:

3.11.1 To create a capacitated, people-centered institution

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL5	The percentage of the municipality's operational budget actually spent on implementing its workplace skills plan by end June 2015 [(Actual amount spent on training/total operational budget)x100]	(Actual amount spent on training/total operational budget)x100	All	0.50%
TL6	Limit vacancy rate to less than 10% of funded posts [(Number of funded posts vacant / number of funded posts) x100]	(Number of funded posts vacant / Number of funded posts) x100	All	10%
TL7	The number of people from employment equity target groups employed in the three highest levels of management in compliance with the equity plan	Number of people employed	All	0

Table 157.: Service Delivery Priorities for 2014/15 – Strategic objective 1

3.11.2 To create a safe and healthy living environment

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL9	Develop a Disaster Management Plan and submit to Council by 31 January 2015	Disaster Management Plan Developed and submitted to Council by 31 January 2015	All	1

Table 158.: Services Delivery Priorities for 2014/15 – Strategic objective 2



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3.11.3 To develop integrated and sustainable settlements with the view to correct spatial imbalances

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL10	Transfer Nitrophoska houses to 8 residents by end June 2015	Number of houses transferred by the end of June 2015	5	8
TL11	Construction of top structures for 270 units in Railton by end of December 2014	Number of top structures completed by end of December 2014	5	270
TL12	Service 140 sites in Railton by end of September 2014	Number of sites serviced by end of September 2014	5	140

Table 159.: Services Delivery Priorities for 2014/15 – Strategic objective 3

3.11.4 To enhance access to basic services and address maintenance backlogs

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL13	90% of the waste management maintenance budget spent by the end of June 2015 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent (Actual expenditure on maintenance divided by the total approved maintenance budget)x100	All	90%
TL15	90% of the roads and stormwater maintenance budget spent by the end of June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	(Actual expenditure on maintenance divided by the total approved maintenance budget)x100	All	90%
TL16	90% of the waste water maintenance budget spent by the end of June {{(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}}	(Actual expenditure on maintenance divided by the total approved maintenance budget)x100	All	90%
TL17	90% of the water maintenance budget spent by the end of June {{(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}}	(Actual expenditure on maintenance divided by the total approved maintenance budget)x100	All	90%
TL18	90% of the electricity maintenance budget spent by the end of June {{(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}}	(Actual expenditure on maintenance divided by the total approved maintenance budget)x100	All	90%
TL19	70% microbiological quality level achieved for waste water discharge (activated sludge)	% microbiological quality level of waste water discharge (activated sludge) achieved	All	70%
TL20	50% chemical quality level achieved for waste water discharge (activated sludge)	% chemical quality level of waste water discharge (activated sludge) achieved	All	50%



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Ref	KPI	Unit of Measurement	Wards	Annual Target
TL21	70% physical quality level achieved for waste water discharge (activated sludge)	% physical quality level of waste water discharge (activated sludge) achieved	All	70%
TL22	50% chemical quality level achieved for waste water discharge (oxidation pond)	% chemical quality level of waste water discharge (oxidation pond) achieved	All	50%
TL23	50% physical quality level achieved for waste water discharge (oxidation pond)	% physical quality level of waste water discharge (oxidation pond) achieved	All	50%
TL24	80% microbiological quality level achieved for water as per SANS 241	% microbiological water quality level achieved as per SANS 241 criteria	All	80%
TL25	80% chemical quality level achieved for water as per SANS 241	% chemical water quality level achieved as per SANS 241 criteria	All	80%
TL26	80% physical quality level achieved for water as per SANS 241	% physical water quality level achieved as per SANS 241 criteria	All	80%
TL27	Complete the upgrade/construction of the Buffeljagsrivier Waste Water Treatment Works by end June 2015	Project completed by end June 2015	3	1
TL28	Complete phase 1 of the Swellendam Water Treatment Works by the end of March 2015	Project completed by end June 2015	1; 4; 5	1
TL29	Number of square meters of roads and stormwater system constructed in Rondomskrik Railton by end June 2015	Number of square meters constructed by end June 2015	4	2,900
TL30	Limit technical water losses to not more than 35% $\{(KL's\ sold\ less\ free\ basic\ water\ provided\ and\ water\ provided\ at\ public\ areas)/\ KL's\ purchased\} \times 100\}$	% of water unaccounted for $\{(KL's\ sold\ less\ free\ basic\ water\ provided\ and\ water\ provided\ at\ public\ areas)/\ KL's\ purchased\} \times 100\}$	All	35%
TL31	Limit electricity losses to not more than 25% $\{(kWh\ sold\ /kWh\ purchased) \times 100\}$	% of electricity unaccounted for $\{(kWh\ sold\ /kWh\ purchased) \times 100\}$	All	25%
TL32	Provide 6kl free basic water to indigent households in terms of the equitable share requirements	Number of indigent households receiving free basic water	All	1,600
TL33	Provide free basic sanitation to indigent households in terms of the equitable share requirements	Number of indigent households receiving free basic sanitation	All	1,600
TL34	Provide 50kwh free basic electricity to indigent households in terms of the equitable share requirements	Number of indigent households receiving free basic electricity	All	1,600



Chapter 3: Service Delivery Performance

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL35	Provide free basic refuse removal to indigent households in terms of the equitable share requirements	Number of indigent households receiving free basic refuse removal	All	1,600
TL40	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network	Number of residential properties which are billed for water or have pre-paid meters	All	5,900
TL41	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas)	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas)	All	5,500
TL42	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets)	Number of residential properties which are billed for sewerage	All	5,500
TL43	Number of formal residential properties for which refuse is removed once per week	Number of residential properties which are billed for refuse removal	All	5,500
TL44	The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's IDP [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100	All	90%

Table 160.: Services Delivery Priorities for 2014/15 - Strategic objective 4

3.11.5 To enhance economic development with focus on both first and second economies

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL14	Create temporary jobs - FTE's in terms of EPWP by end June 2015 (Person days divided by FTE (230 days))	Number of FTE's created by end June 2015	All	32

Table 161.: Services Delivery Priorities for 2014/15 - Strategic objective 5

3.11.6 To improve financial viability and management

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL3	Approve an action plan to address all the issues raised in the management letter of the Auditor General by 31 December 2014	Approved action plan by 31 December 2014 by MM	All	1
TL36	Financial viability measured in terms of the municipality's ability to meet its service debt	((Total operating revenue-operating grants received)/debt	All	25.3



Chapter 3: Service Delivery Performance

Ref	KPI	Unit of Measurement	Wards	Annual Target
	obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	service payments due within the year)		
TL37	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	(Total outstanding service debtors/ revenue received for services)X100	All	18%
TL38	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	((Available cash+ investments)/ Monthly fixed operating expenditure)	All	1.8
TL39	Achieve a debtors payment percentage of 95%	((Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue) x 100	All	95%

Table 162.: Service Delivery Priorities for 2014/15 - Strategic objective 6

3.11.7 To promote good governance and community participation

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL1	Compile the Risk Based Audit Plan (RBAP) and submit to the Audit Committee by 30 June 2015	RBAP submitted to the Audit Committee by 30 June 2015	All	1
TL2	80% of the RBAP for 2014/15 implemented by end June 2015 [(Number of audits and tasks completed for the period/ Number of audits and tasks identified in the RBAP)x100]	(Number of audits and tasks completed for the period/ Number of audits and tasks identified in the RBAP to complete for the period)x100	All	80%
TL4	Compile quarterly external newsletters for distribution	Number of external newsletter compiled and distributed	All	4
TL8	Develop new system of delegations and submit to Council by end March 2015	New system of delegation developed and submitted to Council by end March 2015	All	1

Table 163.: Service Delivery Priorities for 2014/15 - Strategic objective 7



Chapter 4: Organisational Development Performance

CHAPTER 4

4.1 National Key Performance Indicators – Municipal Transformation and Organisational Development

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

KPA & Indicators	Municipal Achievement	Municipal Achievement
	2012/13	2013/14
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.62%	0.14%

Table 164.: National KPIs – Municipal Transformation and Organisational Development

4.2 Introduction to the Municipal Workforce

The Municipality currently employs **230** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.2.1 Employment Equity

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"



Chapter 4: Organisational Development Performance

a) Employment Equity vs. Population

Description	African	Coloured	Indian	White	Total
Population numbers	4 455	24 716	113	6 239	35 523
% Population	12.54	69.58	0.32	17.56	100
Number for positions filled	23	181	0	26	230
% for Positions filled	10	78.7	0	11.3	100

Table 165.: EE population 2013/14

b) Specific Occupational Categories - Race

The table below indicates the number of employees by race within the specific occupational categories:

Occupational Levels	Race				Total
	A	C	I	W	
Legislators, senior officials and managers	0	7	0	6	13
Professionals	0	5	0	5	10
Technicians and associate professionals	1	17	0	2	20
Clerks	0	13	0	2	15
Service and sales workers	0	2	0	0	2
Craft and related trades workers	4	37	0	9	50
Plant and machine operators and assemblers	3	18	0	0	21
Elementary occupations	15	82	0	2	99
TOTAL	23	181	0	26	230

Table 166.: Occupational Categories

c) Specific Occupational Levels - Race

The table below categories the number of employees by race within the occupational levels:

Occupational Levels	Race				Total
	A	C	I	W	
Top Management	0	1	0	3	4
Senior management	0	6	0	4	10
Professionally qualified and experienced specialists and mid- management	0	8	0	5	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	3	43	0	10	56



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Occupational Levels	Race				Total
	A	C	I	W	
Semi-skilled and discretionary decision making	7	66	0	4	77
Unskilled and defined decision making	13	57	0	0	70
TOTAL	23	181	0	26	230

Table 167.: Occupational Levels

d) Departments - Race

The following table categories the number of employees by race within the different departments:

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Municipal Manager	0	3	0	0	0	1	0	1	5
Corporate Services	0	6	0	4	1	9	0	2	22
Financial Services	2	13	0	3	0	13	0	4	35
Community Services	12	46	0	1	2	20	0	4	85
Engineering Services	6	67	0	6	0	3	0	1	83
TOTAL	20	134	0	14	3	46	0	12	230

Table 168.: Department - Race

4.2.2 Vacancy Rate

The approved organogram for the municipality had 342 posts for the 2013/14 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 122 Posts were vacant at the end of 2013/14, resulting in a vacancy rate of 32.7% of position on the organogram. The vacancy rate for budgeted position is 12.09%.

Below is a table that indicates the vacancies (as per organogram) within the municipality:

Per Post Level		
Post level	Filled	Vacant
MM & MSA section 57 & 56	4	1
T19 - T13	14	4
T12 – T4	138	43
T3 – T1	34	61
Personal-to-incumbent	40	3



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Performance

Per Post Level		
Post level	Filled	Vacant
Total	230	112
Per Functional Level		
Functional area	Filled	Vacant
Municipal Manager	5	4
Corporate Services	22	3
Financial Services	35	10
Community Services	85	32
Engineering Services	83	63
Total	230	112

Table 169.: Vacancy rate per post and functional level

The table below indicates the number of staff per level expressed as total positions and current vacancies expressed as full time staff equivalents:

Salary Level	Number of current critical vacancies	Vacancy job title
Municipal Manager	0	N/A
Chief Financial Officer	0	N/A
Other Section 57 Managers	1	Director Community Services
Senior management (T14-T19)	3	<ul style="list-style-type: none"> Manager : Strategic Planning Services Manager : Traffic Services Project Manager
Highly skilled supervision (T4-T13)	2	<ul style="list-style-type: none"> Senior Electrician Supervisor: Motor Vehicle Registration & Licensing

Table 170.: Vacancy rate per salary level

4.3 Managing the Municipal Workforce

Managing the municipal workforce refers to analyzing and coordinating employee behavior.

4.3.1 Injuries

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.



Chapter 4: Organisational Development Performance

The injury rate shows a slight **increase** for the 2013/14 financial year where 50 employees were injured against 35 employees in the 2012/13 financial year.

The table below indicates the total number of injuries within the different directorates:

Directorates	2012/13	2013/14
Municipal Manager	1	0
Corporate Services	0	0
Financial Services	3	5
Community Services	13	14
Engineering Services	13	22
Contract personnel : EPWP	5	9
Total	35	50

Table 171.: Injuries

4.3.2 Sick Leave

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees that have taken sick leave during the 2013/14 financial year shows a **increase** when comparing it with the 2012/13 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Department	2012/13	2013/14
Municipal Manager	24	41
Corporate Services	63	232
Financial Services	196	253
Community Services	329	639
Engineering Services	336	820
Total	948	1 985

Last year of the 3-year-cycle started 01/01/2013.

Table 172.: Sick Leave



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4.4 Capacitating the Municipal Workforce

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

4.4.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of Employees that received training (2013/14)
MM and S57	Female	0
	Male	1
Legislators, senior officials and managers	Female	0
	Male	8
Associate professionals and Technicians	Female	0
	Male	0
Professionals	Female	3
	Male	7
Clerks	Female	8
	Male	2
Service and sales workers	Female	0
	Male	0
Craft and related trade workers	Female	0
	Male	6
Plant and machine operators and assemblers	Female	0
	Male	0
Elementary occupations	Female	0
	Male	3
Sub total	Female	11
	Male	27
Total		38

Table 173.: Skills Matrix



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4.4.2 Skills Development – Training provided

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Training provided within the reporting period (2013/14)	
		Skills programmes & other short courses	
		2012/13	2013/14
MM and S57	Female	0	0
	Male	0	1
Legislators, senior officials and managers	Female	0	0
	Male	3	8
Professionals	Female	5	3
	Male	0	7
Technicians and associate professionals	Female	0	0
	Male	0	0
Clerks	Female	5	8
	Male	4	2
Service and sales workers	Female	10	0
	Male	1	0
Craft and related trade workers	Female	1	0
	Male	6	6
Plant and machine operators and assemblers	Female	0	0
	Male	1	0
Elementary occupations	Female	2	0
	Male	1	3
Sub total	Female	23	11
	Male	16	27
Total		39	38

Table 174.: Skills Development



Chapter 4: Organisational Development Performance

4.4.3 Skills Development - Budget allocation

The table below indicates that a total amount of R208 700 were allocated to the workplace skills plan and that 22.6% of the total amount was spent in the 2013/14 financial year:

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
2012/13	R54 524 000	R428 200	R341 316	79.7
2013/14	R56 237 000	R208 700	R47 210	22.6

Table 175.: Budget allocated and spent for skills development

4.4.4 Municipal Minimum Competency Course Status

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice No. 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

Swellendam Municipality must send officials on the Municipal Minimum Competency (MMC) course in terms of National Treasury Regulations. The MMC -training course consists of 15 modules for most candidates and the status of the process at the end of the financial year 2013 is as follows:

Candidates who completed	Candidates currently busy	Candidates who will start in 2014 financial year
6	11	16

Table 176.: MMC Course Status



Chapter 4: Organisational Development

Performance

4.5 Managing the Municipal Workforce Expenditure

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.5.1 Personnel Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the municipality is well within the national norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	
2012/13	54 699	142 266	38.4
2013/14	59 074	195 553	30.2

Table 177.: Personnel Expenditure

Below is a summary of Councilor and staff benefits for the year under review:

Financial year	2012/13	2013/14		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R	R	R	R
Councillors (Political Office Bearers plus Other)				
All inclusive package	2 766 523	3 000 000	3 373 400	3 298 424
Sub Total	2 766 523	3 000 000	3 373 400	3 298 424
% increase/ (decrease)	-	8.44	12.45	(2.22)
Senior Managers of the Municipality				
Basic Salaries	2 238 572	4 564 000	4 564 000	3 062 733
Pension Contributions	313 830	0	0	353 991
Medical Aid Contributions	73 489	0	0	52 895
Motor vehicle allowance	427 504	0	0	272 272
Cell phone allowance	0	0	0	15 976
Housing allowance	0	0	0	0



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Financial year	2012/13		2013/14	
	Actual R	Original Budget R	Adjusted Budget R	Actual R
Performance Bonus	0	0	0	0
Other benefits or allowances	0	0	0	0
In-kind benefits	32 296	0	0	0
Sub Total	3 085 692	4 564 000	4 564 000	3 757 867
% increase/ decrease	-	47.91	0.00	(12.86)
Other Municipal Staff				
Basic Salaries and Wages	31 301 519	32 417 000	31 918 000	32 436 627
Pension Contributions	4 993 494	6 438 000	5 788 000	5 308 286
Medical Aid Contributions	2 424 075	3 002 000	3 789 000	2 611 706
Motor vehicle allowance	3 246 319	2 553 000	2 391 000	3 628 200
Cell phone allowance	0	0	0	0
Housing allowance	233 065	251 000	321 000	212 658
Overtime	2 394 574	1 895 000	2 482 000	2 502 054
Other benefits or allowances	4 253 925	5 117 000	6 464 170	5 318 959
Sub Total	48 846 971	51 673 000	53 153 170	52 018 490
% increase/ decrease	-	12.32	2.87	(2.13)
Total Municipality	54 699 186	59 237 000	61 090 570	59 074 781
% increase/ decrease	-	14.23	3.13	(3.30)

Table 178.: Personnel Expenditure



Chapter 5: Financial Performance

CHAPTER 5

This chapter provides details regarding the financial performance of the municipality for the 2013/14 financial year.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

5.1 Financial Summary

The table below indicates the summary of the financial performance for the 2013/14 financial year:

Description	Financial Summary					
	R'000					
	2012/13	2013/14			2013/14 %Variance	
Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget	
Financial Performance						
Property rates	21 457	25 472	27 492	25 223	-0.98	-9.00
Service charges	69 682	84 605	90 357	77 259	-9.51	-16.95
Investment revenue	527	300	400	662	54.66	39.55
Transfers recognised - operational	26 228	52 908	56 573	47 832	-10.61	-18.27
Other own revenue	9 708	7 517	8 524	41 170	81.74	79.49
Total Revenue (excluding capital transfers and contributions)	127 602	170 801	183 346	192 147	11.11	4.62
Employee costs	49 987	56 237	57 717	54 094	-3.96	-6.70
Remuneration of councilors	2 767	3 000	3 373	3 298	9.05	-2.27
Depreciation & asset impairment	7 049	6 002	6 002	24 471	75.48	75.48
Finance charges	6 141	7 386	6 742	6 006	-22.99	-12.26
Materials and bulk purchases	33 992	38 956	40 723	36 751	-6.00	-10.81
Transfers and grants	1 247	1 390	1 412	1 495	6.99	5.52
Other expenditure	41 084	65 496	75 478	69 439	5.68	-8.58
Total Expenditure	142 266	178 467	191 447	195 553	8.74	2.14
Surplus/(Deficit)	(14 664)	(7 666)	(8 101)	(3 407)	-125.03	-137.82
Transfers recognised - capital	43 293	37 342	28 242	18 789	-98.75	-50.31



Chapter 5: Financial Performance

Financial Summary						
Description	R'000					
	2012/13	2013/14			2013/14 %Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustm ents Budget
Contributions recognised - capital & contributed assets	0	0	0	0	0.00	0.00
Surplus/(Deficit) after capital transfers & contributions	28 630	29 676	20 141	15 382	-92.92	-30.93
<u>Capital expenditure & funds sources</u>						
<u>Capital expenditure</u>						
Transfers recognised - capital	43 293	37 342	28 242	18 789	-98.75	-50.31
Public contributions & donations	0	0	0	0	0.00	0.00
Borrowing	0	20 000	0	0	0.00	0.00
Internally generated funds	1 988	1 100	1 388	0	0.00	0.00
Total sources of capital funds	45 281	58 442	29 630	18 789	-211.05	-57.70
<u>Financial position</u>						
Total current assets	32 693	15 988	32 271	33 802	52.70	4.53
Total non current assets	256 066	297 315	278 719	252 635	-17.69	-10.32
Total current liabilities	35 463	34 958	33 036	30 731	-13.76	-7.50
Total non current liabilities	75 504	107 977	65 623	62 533	-72.67	-4.94
Community wealth/Equity	177 791	170 369	212 331	193 174	11.81	-9.92
<u>Cash flows</u>						
Net cash from (used) operating	45 901	32 426	33 700	19 850	-63.35	-69.77
Net cash from (used) investing	(45 396)	(58 442)	(29 558)	(21 203)	-175.63	-39.40
Net cash from (used) financing	(1 156)	18 088	(1 940)	(1 740)	1139.55	-11.50
Cash/cash equivalents at the year end	(651)	(7 928)	2 202	(3 093)	-156.32	171.19
<u>Cash backing/surplus reconciliation</u>						
Cash and investments available	5 020	(3 726)	7 222	1 927	293.40	-274.84
Application of cash and investments	25 199	16 055	30 424	477	-193.67	-456.49
Balance - surplus (shortfall)	(20 179)	(19 781)	(23 202)	2 404	367.54	413.81
<u>Asset management</u>						
Asset register summary (WDV)	275 153	296 902	274 816	230 308	-28.92	-19.33
Depreciation & asset impairment	7 049	6 002	6 002	24 471	75.48	75.48



Chapter 5: Financial Performance

Financial Summary						
Description	R'000					
	2012/13	2013/14		2013/14 %Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Renewal of Existing Assets	0	0	0	0	0.00	0.00
Repairs and Maintenance	11 970	12 586	12 772	10 479	-20.11	-27.22
Free services						
Cost of Free Basic Services provided	7 980	6 847	8 489	11 884	0.00	0.00
Revenue cost of free services provided	24 755	25 868	15 729	27 595	0.00	0.00

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

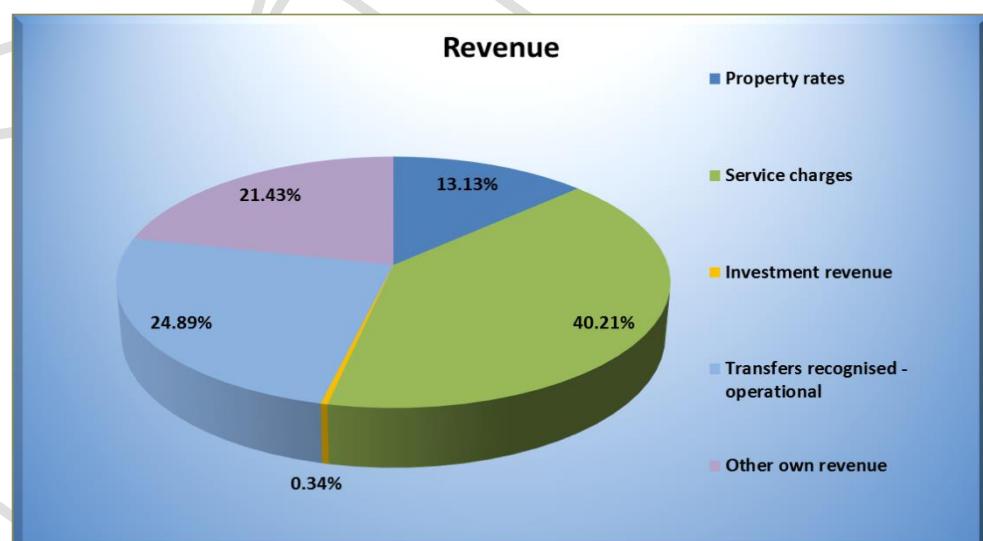
Table 179.: Financial Performance 2013/14

The table below shows a summary of performance against budgets:

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2012/13	172 367	170 896	(1 471)	-1	155 180	142 266	12 914	8
2013/14	211 588	210 936	(572)	0	191 447	195 553	(4 187)	-2

Table 180.: Performance against budgets

The following graph indicates the various types of revenue items in the municipal budget for 2013/14

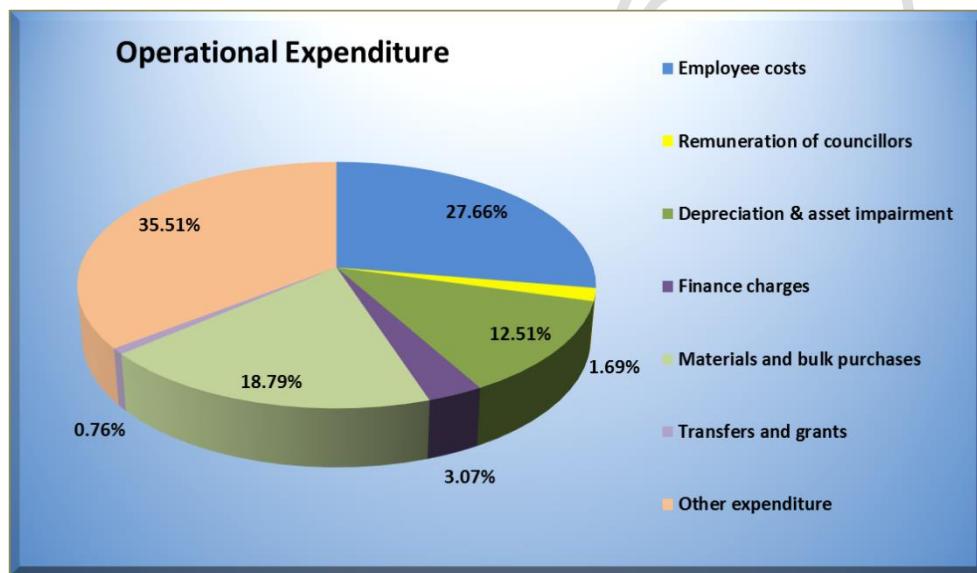


Graph 5.: Revenue



Chapter 5: Financial Performance

The following graph indicates the various types of expenditure items in the municipal budget for 2013/14



Graph 6.: *Operating expenditure*

5.1.1 Revenue collection by Vote

The table below indicates the Revenue collection performance by Vote:

Vote Description	2012/13		2013/14		2013/14 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000					
Vote 1 - Office of the Municipal Manager	168	162	228	161	-0.52	-41.47
Vote 2 - Corporate Services	41 886	46 290	49 247	50 433	8.21	2.35
Vote 3 - Community Services	22 045	39 291	43 105	62 586	37.22	31.25
Vote 4 - Human Settlements, Land Affairs & Planning	0	0	0	0	0.00	0.00
Vote 5 - Civil Engineering Services	101 622	116 639	113 147	92 240	-26.45	-22.67
Vote 6 - Electro-technical Services	0	0	0	0	0.00	0.00
Vote 7 - Financial Services	5 347	5 761	5 861	5 516	-4.43	-6.25
Total Revenue by Vote	171 068	208 143	211 588	210 936	1.32	-0.31
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 181.: Revenue by Vote



Chapter 5: Financial Performance

5.1.2 Revenue collection by Source

The table below indicates the revenue collection performance by source for the 2013/14 financial year:

Description	2012/13		2013/14		2013/14 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000					
Property rates	21 457	25 472	27 492	25 223	-0.98	-9.00
Property rates - penalties & collection charges	0	0	0	0	0.00	0.00
Service Charges - electricity revenue	45 095	54 579	59 593	50 550	-7.97	-17.89
Service Charges - water revenue	8 863	10 778	10 860	9 364	-15.09	-15.97
Service Charges - sanitation revenue	10 313	12 338	12 804	11 210	-10.07	-14.22
Service Charges - refuse revenue	5 398	6 886	7 100	6 116	-12.58	-16.09
Service Charges - other	14	24	0	19	-26.12	100.00
Rentals of facilities and equipment	1 243	1 004	988	1 215	17.38	18.66
Interest earned - external investments	527	300	400	662	54.66	39.55
Interest earned - outstanding debtors	1 156	1 635	1 260	636	-157.11	-98.14
Dividends received	0	0	0	0	0.00	0.00
Fines	1 310	1 769	3 319	15 303	88.44	78.31
Licences and permits	2 109	1	1	1 342	99.96	99.96
Agency services	1 130	1 969	1 914	1 148	-71.45	-66.62
Transfers recognised - operational	26 228	52 908	56 573	47 832	-10.61	-18.27
Other revenue	2 759	1 140	963	21 506	94.70	95.52
Gains on disposal of PPE	0	0	0	20	100.00	100.00
Total Revenue (excluding capital transfers and contributions)	127 602	170 801	183 266	192 147	11.11	4.62

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Table 182.: Revenue by Source



Chapter 5: Financial Performance

5.1.3 Operational Services Performance

The table below indicates the Operational services performance for the 2013/14 financial year:

Financial Performance of Operational Services						
Description	R'000		2013/14		2013/14 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
Operating Cost						
Water	249	359	138	533	32.55	74.03
Waste Water (Sanitation)	4 108	7 147	8 236	6 914	-3.38	-19.12
Electricity	6 208	6 827	10 142	9 380	27.22	-8.13
Waste Management	(118)	281	(333)	17 681	98.41	101.89
Engineering	25 213	31 207	20 592	8 972	-247.84	-129.52
Component A: sub-total	35 661	45 821	38 774	43 479	-5.39	10.82
Roads and Stormwater	(5 624)	(8 468)	(9 104)	(10 015)	15.45	9.11
Transport	0	0	0	0	0.00	0.00
Component B: sub-total	(5 624)	(8 468)	(9 104)	(10 015)	15.45	9.11
Planning	(885)	(637)	(1 075)	(1 080)	41.02	0.49
Local Economic Development	(491)	(94)	(575)	(354)	73.43	-62.42
Component C: sub-total	(1 376)	(731)	(1 650)	(1 434)	49.01	-15.03
Libraries	(1 037)	721	803	692	-4.17	-15.99
Social services & community development	815	(7 975)	(9 345)	(8 851)	9.90	-5.58
Component D: sub-total	(222)	(7 254)	(8 542)	(8 159)	11.09	-4.70
Environmental Protection (Pollution Control, Bio-Diversity, Landscape, Open Spaces, Parks, And Coastal Protection)	0	0	0	0	0.00	0.00
Component E: sub-total	0	0	0	0	0.00	0.00
Traffic & licensing	(667)	(1 170)	(1 619)	2 288	151.12	170.77
Fire Services and Disaster Management	0	0	0	0	0.00	0.00
Component F: sub-total	(667)	(1 170)	(1 619)	2 288	151.12	170.77
Holiday Resorts and Campsites	(112)	(548)	(710)	(86)	-540.97	-730.00
Swimming Pools, Stadiums and Sport Ground	0	0	0	0	0.00	0.00



Chapter 5: Financial Performance

Financial Performance of Operational Services						
Description	R'000					
	2012/13	2013/14			2013/14 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
Operating Cost						
Community halls, facilities, Thusong centres	(572)	(849)	(776)	(611)	-38.99	-26.98
Component G: sub-total	(684)	(1 397)	(1 486)	(696)	-100.64	-113.33
Financial Services	(13 195)	(14 857)	(16 428)	(15 823)	6.11	-3.82
Office of the MM	(6 585)	(6 876)	(5 992)	(7 013)	1.97	14.56
Administration	21 322	24 614	26 186	12 757	-92.94	-105.26
HR	0	0	0	0	0.00	0.00
Component H: sub-total	1 542	2 881	3 766	(10 079)	128.58	137.36
Total Expenditure	28 630	29 682	20 141	15 382	-92.96	-30.93
<i>In this table operational income (but not levies or tariffs) is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						

Table 183.: Operational Services Performance

5.2 Financial Performance per Municipal Function

5.2.1 Water Services

Description	2012/13					2013/14				
	Actual	Original Budget	Adjusted Budget	Actual		Variance to Budget		R'000		
				2012/13	2013/14	2012/13	2013/14			
Total Operational Revenue (excluding tariffs)	8 876	10 788	10 875	9 390	9 390	8 876	10 736	9 390	9 390	-14.89
Expenditure:										
Employees	4 018	3 528	5 536	4 443	4 443	4 018	5 536	4 443	4 443	20.59
Repairs and Maintenance	980	1 242	785	550	550	980	785	550	550	-84.46
Other	3 629	5 658	4 416	3 863	3 863	3 629	4 416	3 863	3 863	-51.28
Total Operational Expenditure	8 627	10 428	10 736	8 857	8 857	8 627	10 736	8 857	8 857	-17.74
Net Operational (Service) Expenditure	249	359	138	533	533	249	138	533	533	32.55
<i>Variances are calculated by dividing the difference between the actual and original budget by the actual.</i>										

Table 184.: Financial Performance: Water services



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5.2.2 Waste Water (Sanitation)

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	10 313	12 338	12 804	11 222	-9.94
Expenditure:					
Employees	2 341	3 414	2 529	2 442	-39.80
Repairs and Maintenance	838	979	664	634	-26.26
Other	3 026	798	1 374	1 233	26.88
Total Operational Expenditure	6 204	5 190	4 568	4 309	-20.47
Net Operational (Service) Expenditure	4 108	7 147	8 236	6 914	-3.38

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 185.: *Financial Performance: Waste Water (Sanitation) services*

5.2.3 Electricity

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	47 191	54 656	59 642	51 656	-5.81
Expenditure:					
Employees	3 724	4 114	4 077	3 689	-11.54
Repairs and Maintenance	855	1 482	881	820	-76.41
Other	36 404	42 233	44 542	37 768	-11.88
Total Operational Expenditure	40 983	47 829	49 500	42 277	-13.13
Net Operational (Service) Expenditure	6 208	6 827	10 142	9 380	27.22

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 186.: *Financial Performance: Electricity*



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5.2.4 Waste Management

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	5 398	6 886	7 100	22 241	69.04
Expenditure:					
Employees	1 936	1 951	2 249	2 043	4.49
Repairs and Maintenance	371	588	828	557	-5.51
Other	3 209	4 065	4 357	1 959	-107.51
Total Operational Expenditure	5 515	6 605	7 433	4 559	-44.86
Net Operational (Service) Expenditure	(118)	281	(333)	17 681	98.41

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 187.: Financial Performance: Waste Management

5.2.5 Roads and stormwater

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	177	31	31	12	-156.16
Expenditure:					
Employees	2 319	3 740	3 094	2 689	-39.11
Repairs and Maintenance	1 914	1 777	2 633	2 448	24.68
Other	1 568	2 982	3 408	4 891	40.11
Total Operational Expenditure	5 801	8 499	9 135	10 028	15.24
Net Operational (Service) Expenditure	(5 624)	(8 468)	(9 104)	(10 015)	15.45

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 188.: Financial Performance: Roads and Stormwater



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5.2.6 LED

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	0	0	0	0	0.00
Expenditure:					
Employees	411	0	505	342	100.00
Repairs and Maintenance	0	25	5	0	0.00
Other	80	69	65	11	-504.88
Total Operational Expenditure	491	94	575	354	73.43
Net Operational (Service) Expenditure	(491)	(94)	(575)	(354)	73.43

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 189.: Financial Performance: LED

5.2.7 Planning

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	156	131	156	194	32.42
Expenditure:					
Employees	930	711	989	985	27.82
Repairs and Maintenance	0	0	150	208	100.00
Other	112	58	92	81	29.23
Total Operational Expenditure	1 041	768	1 231	1 274	39.71
Net Operational (Service) Expenditure	(885)	(637)	(1 075)	(1 080)	41.02

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 190.: Financial Performance: Planning



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5.2.8 Libraries

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	1 784	3 706	4 479	4 176	11.25
Expenditure:					
Employees	2 120	2 326	2 326	2 402	3.17
Repairs and Maintenance	141	169	634	507	66.73
Other	559	490	715	574	14.70
Total Operational Expenditure	2 820	2 985	3 676	3 483	14.32
Net Operational (Service) Expenditure	(1 037)	721	803	692	-4.17

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 191.: Financial Performance: Libraries

5.2.9 Social Services & Community Development

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	9 495	24 315	25 667	17 419	-39.59
Expenditure:					
Employees	5 949	5 487	6 093	6 018	8.82
Repairs and Maintenance	1 131	1 742	2 159	1 963	11.30
Other	1 601	25 062	26 760	18 289	-37.03
Total Operational Expenditure	8 681	32 290	35 012	26 270	-22.92
Net Operational (Service) Expenditure	815	(7 975)	(9 345)	(8 851)	9.90

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 192.: Financial Performance: Social Services & Community Development



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5.2.10 Traffic Services and Law Enforcement

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	4 532	3 719	5 214	17 771	79.07
Expenditure:					
Employees	4 539	4 277	5 145	5 001	14.48
Repairs and Maintenance	331	322	302	278	-15.89
Other	329	290	1 386	10 204	97.16
Total Operational Expenditure	5 199	4 889	6 832	15 483	68.43
Net Operational (Service) Expenditure	(667)	(1 170)	(1 619)	2 288	151.12

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 193.: Financial Performance: Traffic Services and Law Enforcement

5.2.11 Holiday resorts and campsites

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	651	472	472	662	28.71
Expenditure:					
Employees	498	537	758	545	1.56
Repairs and Maintenance	112	261	261	59	-343.34
Other	152	223	163	144	-54.70
Total Operational Expenditure	763	1 020	1 182	748	-36.44
Net Operational (Service) Expenditure	(112)	(548)	(710)	(86)	-540.97

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 194.: Financial Performance: Holiday resorts and campsites



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5.2.12 Community facilities and Thusong Centres

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	186	193	173	317	39.12
Expenditure:					
Employees	612	722	666	693	-4.15
Repairs and Maintenance	119	207	172	126	-64.36
Other	27	113	111	108	-3.95
Total Operational Expenditure	758	1 042	949	928	-12.30
Net Operational (Service) Expenditure	(572)	(849)	(776)	(611)	-38.99

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 195.: Financial Performance: Community facilities and Thusong Centres

5.2.13 Office of the MM

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	168	162	228	161	-0.52
Expenditure:					
Employees	3 418	4 011	2 760	3 843	-4.39
Repairs and Maintenance	174	237	107	81	-191.33
Other	3 162	2 789	3 353	3 250	14.19
Total Operational Expenditure	6 753	7 038	6 220	7 175	1.91
Net Operational (Service) Expenditure	(6 585)	(6 876)	(5 992)	(7 013)	1.97

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 196.: Financial Performance: Office of the MM



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5.2.14 Administration

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	41 730	46 159	49 091	50 239	8.12
Expenditure:					
Employees	8 100	7 873	7 407	5 769	-36.47
Repairs and Maintenance	670	768	991	859	10.57
Other	11 638	12 905	14 507	30 854	58.17
Total Operational Expenditure	20 408	21 545	22 905	37 481	42.52
Net Operational (Service) Expenditure	21 322	24 614	26 186	12 757	-92.94

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 197.: Financial Performance: Administration

5.2.15 Engineering

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	35 065	38 827	29 796	19 960	-94.52
Expenditure:					
Employees	3 989	2 107	4 601	4 653	54.72
Repairs and Maintenance	540	1 115	620	325	-243.39
Other	5 324	4 398	3 983	6 011	26.83
Total Operational Expenditure	9 853	7 620	9 204	10 988	30.66
Net Operational (Service) Expenditure	25 213	31 207	20 592	8 972	-247.84

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 198.: Financial Performance: Engineering



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5.2.16 Finance

Description	2012/13	2013/14			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	5 347	5 761	5 861	5 516	-4.43
Expenditure:					
Employees	7 840	11 439	8 981	8 537	-34.00
Repairs and Maintenance	1 228	804	1 254	869	7.49
Other	9 474	8 375	12 054	11 934	29.82
Total Operational Expenditure	18 542	20 618	22 289	21 339	3.38
Net Operational (Service) Expenditure	(13 195)	(14 857)	(16 428)	(15 823)	6.11

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 199.: Financial Performance: Finance

5.3 Grants

5.3.1 Grant Performance

The performance in the spending of these grants is summarised as follows:

Description	2012/13	2013/14			2013/14 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
<u>Operating Transfers and Grants</u>						
National Government:	22 296	23 589	24 891	23 699	0.46	-5.03
Equitable share	18 428	19 857	19 857	19 857	0.00	0.00
Municipal Systems Improvement	800	890	890	890	0.00	0.00
EPWP: Point duty	1 262	1 000	1 000	1 000	0.00	0.00
MIG - Project Management Unit	556	442	1 744	552	19.94	-215.88
Finance Management Grant	1 250	1 400	1 400	1 400	0.00	0.00
Provincial Government:	3 931	29 319	32 252	24 124	-21.54	-33.69
Housing	0	24 261	25 554	17 289	-40.33	-47.81
Main roads	54	23	23	0	0.00	0.00



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Description	2012/13		2013/14		2013/14 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Upgrade : Library Suurbraak	0	0	0	1	100.00	100.00
Structure Plan	0	0	0	1	100.00	100.00
Disaster Management System	0	0	0	6	100.00	100.00
Project Preparation	0	0	0	8	100.00	100.00
Multi Purpose Sentrum	0	0	0	8	100.00	100.00
Library Grant	347	344	344	394	12.79	12.79
Organisational Redesign	0	0	1 100	1 100	100.00	0.00
Transformation Cost	0	0	0	1	100.00	100.00
Electricity Master Plan	0	0	0	0	100.00	100.00
Upgrading of Roads	1 000	0	0	0	0.00	0.00
Financial Management Support Grant	117	1 350	1 683	1 683	19.78	0.00
Library Services-MRF	2 315	3 341	3 482	3 338	-0.09	-4.32
SETA	0	0	0	195	100.00	100.00
Government Funeral	0	0	0	100	100.00	100.00
Other	98	0	0	0	0.00	0.00
Other grant providers:	0	0	0	9	100.00	100.00
Swellendam Festival	0	0	0	0	0.00	0.00
EMP Railton Erf 5269	0	0	0	9	100.00	100.00
Total Operating Transfers and Grants	26 227	52 908	57 143	47 832	-10.61	-19.47
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						

Table 200.: Grant Performance for 2013/14

5.3.2 Conditional Grants (Excluding MIG)

Details	2012/13		2013/14		2013/14 Variance	
	Actual	Budget	Adjustments Budget	Actual	Budget	Adjustments Budget
	R'000				%	
Financial Management Grant (FMG)	1 250	1 400	1 400	1 400	0.00	0.00
Municipal Systems Improvement Grant	800	890	890	890	0.00	0.00



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Details	2012/13	2013/14			2013/14 Variance	
	Actual	Budget	Adjustments Budget	Actual	Budget	Adjustments Budget
	R'000				%	
Expanded Public Works Program(EPWP)	1 262	1 000	1 000	1 000	0.00	0.00
Organisational Redesign	0	0	1 100	1 100	100.00	0.00
Government Funeral	0	0	0	100	100.00	100.00
Transformation Cost	0	0	0	1	100.00	100.00
Upgrade : Library Suurbraak	0	0	0	1	100.00	100.00
Structure Plan	0	0	0	1	100.00	100.00
Disaster Management System	0	0	0	6	100.00	100.00
Project Preparation	0	0	0	8	100.00	100.00
Multi Purpose Sentrum	0	0	0	8	100.00	100.00
Financial Management Support Grant	117	1 350	1 683	1 683	19.78	0.00
Library Grant	347	344	344	394	12.79	12.79
Main Roads	54	23	23	0	0.00	0.00
Upgrading of Roads	1 000	0	0	0	0.00	0.00
Community Development Worker's Operational grant	0	0	66	0	0.00	0.00
Housing Grant	0	24 261	25 554	17 289	-40.33	-47.81
Library Services-MRF	2 315	3 341	3 482	3 338	-0.09	-4.32
Swellendam Festival	0	0	0	0	100.00	100.00
EMP Railton Erf 5269	0	0	0	9	100.00	100.00
LG Seta	0	0	0	195	100.00	100.00
Other	98	0	0	0	0.00	0.00
Total	7 243	32 609	35 542	27 423	-18.91	-29.61

* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in par 5.9.2. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

Table 201.: Conditional Grant (excl. MIG)



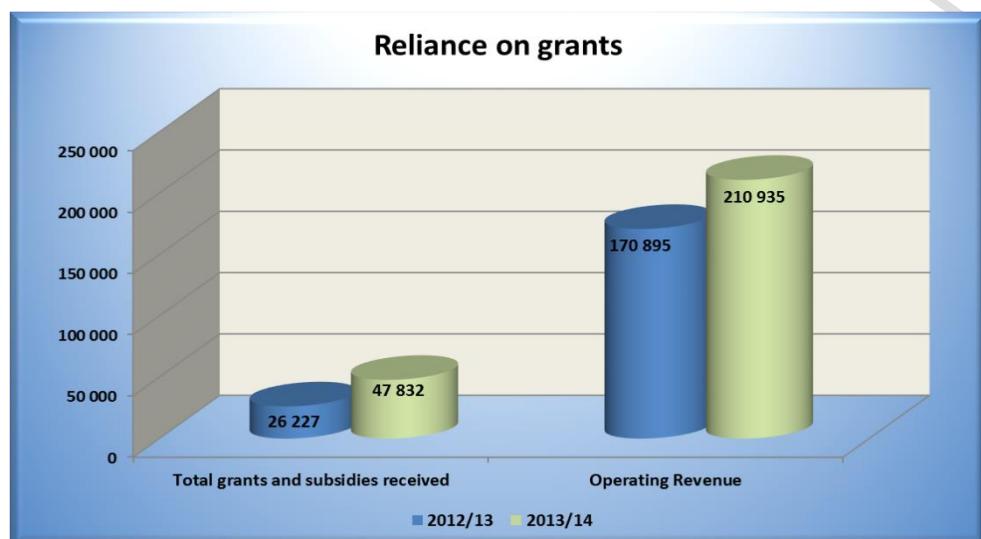
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5.3.3 Level of Reliance on Grants & Subsidies

Financial year	Total grants	Total	Percentage
	and subsidies received	Operating Revenue	
	R'000	R'000	%
2012/13	26 227	170 896	15.35
2013/14	47 832	210 936	22.68

Table 202.: Reliance on grants

The following graph indicates the municipality's reliance on grants as percentage for the last two financial years



Graph 7.: Reliance on grants

5.4 Asset Management

5.4.1 Repairs and Maintenance

Description	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Budget variance
		R' 000			%
Repairs and Maintenance Expenditure	11 970	12 586	12 772	10 479	-21.40

Table 203.: Repairs & maintenance as % of total Operating Expenditure



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5.5 Financial Ratios Based on Key Performance Indicators

5.5.1 Liquidity Ratio

Description	Basis of calculation	2012/13	2013/14
		Audited outcome	Audited outcome
Current Ratio	Current assets/current liabilities	0.93	1.10
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.22	0.29
Liquidity Ratio	Cash and equivalents/Trade creditors and short term borrowings	0.14	0.06

Table 204.: Liquidity Financial Ratio

5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2012/13	2013/14
		Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.42	0.12
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.12	0.10
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	5.48	10.50

Table 205.: Financial Viability National KPs

5.5.3 Borrowing Management

Description	Basis of calculation	2012/13	2013/14
		Audited outcome	Audited outcome
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.04	0.03

Table 206.: Borrowing Management

5.5.4 Employee costs

Description	Basis of calculation	2012/13	2013/14
		Audited outcome	Audited outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	0.39	0.28

Table 207.: Employee Costs



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COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 Capital Expenditure by Asset Class

Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjust- ment Budget	Actual Expendi- ture	2014/15	2015/16	2016/17
R'000							
Capital expenditure by Asset Class							
Infrastructure - Total	42 353	56 542	27 997	19 760	14 935	10 753	10 947
Infrastructure: Road transport - Total	0	0	2 734	2 123	2 578	630	575
Roads, Pavements & Bridges	0	0	2 734	2 123	2 578	630	575
Infrastructure: Electricity - Total	0	700	820	304	1 000	150	150
Transmission & Reticulation	0	700	820	304	1 000	150	150
Infrastructure: Water - Total	0	29 100	6 654	6 825	6 923	3 625	50
Dams & Reservoirs	0	18 500	6 609	6 825	6 923	3 625	50
Water purification	0	0	45	0	0	0	0
Reticulation	0	10 600	0	0	0	0	0
Infrastructure: Sanitation - Total	42 353	26 742	17 789	10 508	4 359	6 348	10 172
Reticulation	0	9 000	27	0	0	0	0
Sewerage purification	42 353	17 742	17 762	10 508	4 359	6 348	10 172
Infrastructure: Other - Total	0	0	0	0	75	0	0
Other	0	0	0	0	75	0	0
Community - Total	62	0	529	390	0	0	0
Sports fields& stadia	0	0	27	0	0	0	0
Libraries	55	0	502	390	0	0	0
Capital expenditure by Asset Class	2 964	1 900	1 104	1 107	3 827	2 360	2 517
Investment properties - Total	0	0	0	0	0	0	0
Housing development	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0



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Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjust- ment Budget	Actual Expendi- ture	2014/15	2015/16	2016/17
R'000							
Other assets	2 964	1 900	1 104	1 107	3 827	2 360	2 517
General vehicles		1 500	0	0	0	0	0
Plant & equipment	55	400	192	299	785	0	0
Computers - hardware/equipment	99	0	680	645	829	450	450
Furniture and other office equipment	632	0	187	164	351	0	0
Other Buildings	1 751	0	45	0	712	0	267
Other Land	427	0	0	0	0	0	0
Other	0	0	0	0	1 150	1 910	1 800
Total Capital Expenditure on new assets	45 380	58 442	29 630	21 257	18 762	13 113	13 464

Table 208.: Capital Expenditure by Asset Class

5.7 Sources of Finance

The table below indicates the capital expenditure by funding source for the 2013/14 financial year:

Details	2012/13	2013/14				
	Actual	Original Budget (OB)	Adjust- ment Budget	Actual	Adjust- ment to OB Variance	Actual to OB Variance
Source of finance						
Description		R'000			%	
External loans	0	20 000	0	0	-100.00	0.00
Public contributions and donations	0	0	0	0	0.00	0.00
Grants and subsidies	43 293	37 342	28 242	18 789	-24.37	-25.31
Own funding	1 988	1 100	1 388	2 468	26.18	98.22
Total	45 281	58 442	29 630	21 257	-49.30	-14.33
Percentage of finance						
External loans	0	44	0	0	-100.00	0.00
Public contributions and donations	0	0	0	0	0.00	0.00
Grants and subsidies	96	82	62	41	-24.37	-25.31
Own funding	4	2	3	5	26.18	98.22
Capital expenditure						



Chapter 5: Financial Performance

Details	2012/13		2013/14			
	Actual	Original Budget (OB)	Adjust- ment Budget	Actual	Adjust- ment to OB Variance	Actual to OB Variance
Description	R'000				%	
Water and sanitation	42 353	57 342	24 461	17 549	-57.34	-12.05
Electricity	0	700	826	593	18.00	-33.34
Housing	0	0	0	0	0.00	0.00
Roads and storm water	0	0	0	0	0.00	0.00
Other	0	0	4 343	3 116	0.00	0.00
Total	42 353	58 042	29 630	21 257	-48.95	-14.43
<i>Percentage of expenditure</i>						
Water and sanitation	100	99	83	83	-16.44	0.00
Electricity	0	1	3	3	131.15	0.00
Housing	0	0	0	0	0.00	0.00
Roads and storm water	0	0	0	0	0.00	0.00
Other	0	0	15	15	0.00	0.00

Table 209.: Capital Expenditure by funding source

5.8 Capital Spending on 5 Largest Projects

Projects with the highest capital expenditure in 2013/14

Name of Project*	2013/14			% Variance	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment variance
Swellendam WWTW	17 742	17 742	10 508	-41%	-41%
Swellendam WTW	0	6 609	6 825	0	3%
Swellendam Roads	0	2 589	2 123	0	-18%
Upgrade of Electricity Network	700	820	304	-57%	-63%
Computers - Hardware/Equipment	0	425	411	0	-3%
<i>Projects with the highest capital expenditure in 2013/14</i>					

Table 210.: Capital Expenditure on the 5 Largest Projects

Name of Project	Swellendam WWTW
Objective of Project	Upgrade of sewerage network
Delays	n/a
Future Challenges	Time Constraints



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Anticipated citizen benefits	Better sewerage network
-------------------------------------	-------------------------

Table 211.: Summary of Swellendam WWTW

Name of Project	Swellendam WTW
Objective of Project	Upgrade of the water works in Swellendam
Delays	n/a
Future Challenges	n/a
Anticipated citizen benefits	To adhere to the demand of purified water

Table 212.: Summary of Swellendam WTW

Name of Project	Swellendam Roads
Objective of Project	Upgrade of roads in Rondomskrik Swellendam
Delays	n/a
Future Challenges	n/a
Anticipated citizen benefits	To replace dirt roads in the area

Table 213.: Summary of Swellendam Roads

Name of Project	Upgrade of Electricity Network
Objective of Project	Housing and electrification
Delays	n/a
Future Challenges	The shifting of informal settlements
Anticipated citizen benefits	Electricity

Table 214.: Summary of Upgrade of Electricity Network

Name of Project	Computers - Hardware/Equipment
Objective of Project	Upgrade the servers
Delays	n/a
Future Challenges	n/a
Anticipated citizen benefits	Better service delivery to the citizens

Table 215.: Summary of Computers - Hardware/Equipment



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5.9 Municipal Infrastructure Grant (MIG)

Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
	R'000		%		
Infrastructure - Water	6 609	0	6 826	3.18	100
Reticulation	0	0	0	0.00	0.00
Water purification	6 609	0	6 826	3.18	100
Infrastructure - Sanitation	101	0	101	0	100
Reticulation	0	0	0	0.00	0.00
Sewerage purification	101	0	101	0	100
Infrastructure - Refuse removal	0	0	0	0.00	0.00
Infrastructure - Electricity	0	0	0	0.00	0.00
Reticulation	0	0	0	0.00	0.00
Other Specify: Roads	2 589	0	1 929	-34.17	100
Roads	2 589	0	1 929	-34.17	100
Total	9 299	0	8 856	-4.99	100

Table 216.: Municipal Infrastructure Grant (MIG)

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is critical to the municipality as it enables the organisation to assess whether enough cash is available at any point in time to cover the council's commitments. Cash flow is rigorously managed and monitored on a regular basis.

5.10 Cash Flow

Cash Flow Outcomes				
R'000				
Description	2012/13	2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Cash flow from operating activities				
Receipts				
Ratepayers and other	100 867	115 908	124 624	137 779
Government - operating	26 796	52 908	56 573	48 644
Government - capital	39 497	38 442	28 242	18 789



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Cash Flow Outcomes				
Description	R'000			
	2012/13	2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Interest	1 683	1 935	1 660	1 298
Dividends	0	0	0	0
Payments				
Suppliers and employees	(115 556)	(167 991)	(169 245)	(179 159)
Finance charges	(6 141)	(7 386)	(6 742)	(6 006)
Transfers and Grants	(1 247)	(1 390)	(1 412)	(1 495)
Net cash from/(used) operating activities	45 901	32 426	33 700	19 850
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	0	0	0	20
Decrease (Increase) in non-current debtors	56	0	0	61
Decrease (increase) other non-current receivables	0	0	72	0
Decrease (increase) in non-current investments	0	0	0	0
Payments				
Capital assets	(45 452)	(58 442)	(29 630)	(21 285)
Net cash from/(used) investing activities	(45 396)	(58 442)	(29 558)	(21 203)
Cash flows from financing activities				
Receipts				
Short term loans	0	0	0	0
Borrowing long term/refinancing	536	20 000	0	205
Increase (decrease) in consumer deposits	50	83	60	117
Payments				
Repayment of borrowing	(1 743)	(1 995)	(2 000)	(2 062)
Net cash from/(used) financing activities	(1 156)	18 088	(1 940)	(1 740)
Net increase/ (decrease) in cash held	(651)	(7 928)	2 202	(3 093)
Cash/cash equivalents at the year begin:	5 670	4 202	5 020	5 020



Chapter 5: Financial Performance

Cash Flow Outcomes				
R'000				
Description	2012/13	2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Cash/cash equivalents at the yearend:	5 020	(3 726)	7 222	1 927

Table 217.: Cashflow

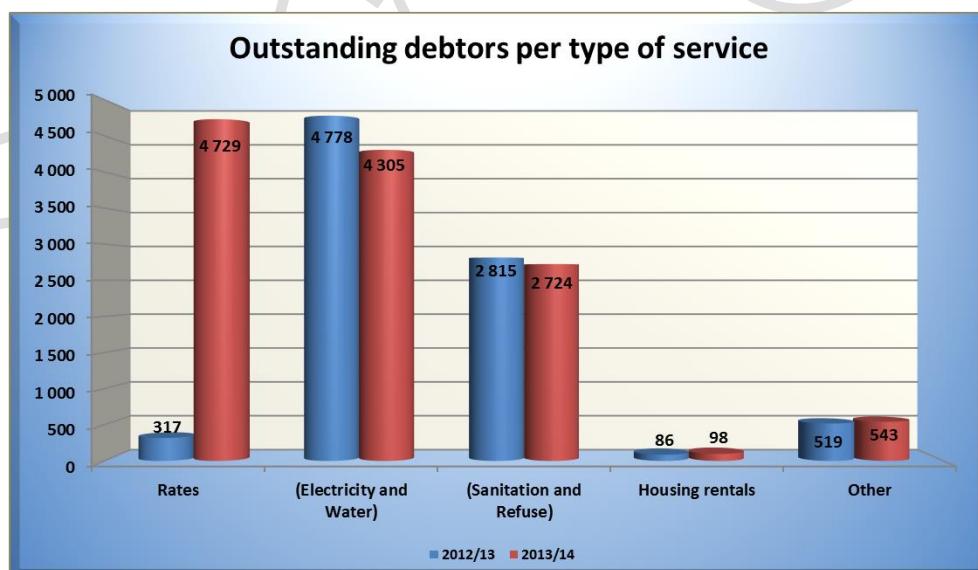
5.11 Gross Outstanding Debtors per Service

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
		R'000	R'000	R'000	R'000	R'000
2012/13	317	4 778	2 815	86	519	8 517
2013/14	4 729	4 305	2 724	98	543	12 399
Difference	4 411	(474)	(91)	12	24	3 882
% growth year on year	1 390	-10	-3	14	5	46

Note: Figures exclude provision for bad debt

Table 218.: Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service for 2013/14



Graph 8.: Debt per type of service



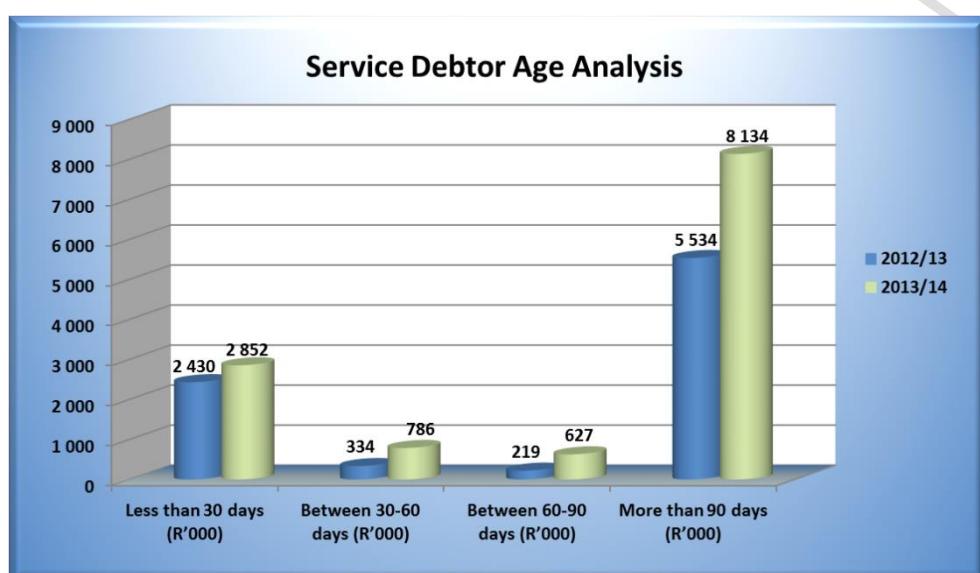
Chapter 5: Financial Performance

5.12 Total Debtors Age Analysis

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000				
2012/13	2 430	334	219	5 534	8 517
2013/14	2 852	786	627	8 134	12 399
Difference	421	453	408	2 600	3 882
% growth year on year	17	136	187	47	46

Note: Figures exclude provision for bad debt.

Table 219.: Service debtor age analysis



Graph 9.: Service debtors age analysis for the 2012/13 and 2013/14 financial years

5.13 Borrowing and Investments

Infrastructure needs to be replaced and therefore borrowings for periods of 15 years are taken up to lessen the impact on consumers.

5.13.1 Actual Borrowings

Actual Borrowings		
R'000		
Instrument	2012/13	2013/14
Long-Term Loans (annuity/reducing balance)	35 672	33 985
Financial Leases	500	475
Hire purpose liabilities	164	19



Chapter 5: Financial Performance

Actual Borrowings		
R'000		
Instrument	2012/13	2013/14
Total	36 336	34 479

Table 220.: Actual Borrowings

5.10.2 Declaration of Loans and Grants made by the municipality

Organisation or Person in receipt of Loans /Grants provided by the municipality	Nature of project	Conditions attached to funding	Value 2013/14 R'000
Swellendam Tourism	Contribution to develop Tourism	The organisation need to supply the municipality with their Budget and AFS	1 082
Lower Breede River Conservancy	Contribution to develop Tourism	The organisation need to supply the municipality with their Budget and AFS	413

Table 221.: Declaration of Loans and Grants made by the municipality

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 GRAP Compliance

The municipality is 100% GRAP compliant since 2011



Chapter 6: Auditor-General Opinion

CHAPTER 6

COMPONENT A: AUDITOR-GENERAL OPINION

6.1 Auditor General Report 2012/13

2012/13	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
Financial statements	
Material losses to the amount of R3 236 704 were incurred as a result of a significant water loss of 317 484 kilolitres.	The following actions will be implemented: <ul style="list-style-type: none">ø Update of Water Mater Planningø Install Bulk Water metersø Install Telemetry for meteringø Develop User-friendly Spreadsheetø ACIP Funding for Water Demand Management
The material impairments to the amount of R16 160 832 and R14 074 767 were incurred as a result of the impairment of receivables from exchange transactions and rates.	Information based on outstanding debtors.
Strategic planning and performance management	
The IDP adopted by the municipality does not reflect and identify the key performance indicators and targets, as required.	This will be rectified in the next cycle of the IDP process.
Budgets	
Quarterly Reports were not submitted to the Council on the implementation of the budget and financial state of affairs of the municipality within 30 days after the end of each quarter.	Internal controls were implemented to ensure that the Mayor will submit quarterly reports to Council on the implementation of the budget and the financial state of the municipality with effect the second quarter of the 2013/14 financial year.
Expenditure was incurred in excess of t submitted to the limits of the amounts provided for the votes of the approved budget, in contravention of section 15 of the MFMA	Reasons for the over spending on capital and operating votes and a recommendation on the corrective measures in terms of the applicable legislation will be discussed with the Municipal Manager.
Monthly budget statements were not the Mayor.	Internal controls were put in place to ensure that monthly budget statements are submitted to the Mayor.
Audit Committee	
The audit committee did not advise the council and accounting officer on matter relating to internal financial control and internal audits, risk management, accounting policies, effective	The Audit Committee was not functional during the year under review. The committee has now been



Chapter 6: Auditor-General Opinion

2012/13	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
governance, performance management and performance evaluation as required.	established as already met twice during the first 6 months of the 2013/ 2014 financial year.
The audit committee did not advise the council and accounting officer on matter relating to adequacy, reliability and accuracy of financial reporting and information.	
The audit committee did not advise the council and accounting officer on matter relating to compliance with legislation.	
The audit committee did not respond to the council on the issues raised in the audit reports of the AG.	
The audit committee did not meet at least four times a year.	
The audit performance committee was not in place and the audit committee was not used to fulfil the performance audit committee function.	
Internal Audit Unit	
An internal audit unit was not established.	Will be established in February 2014.
Procurement and contract management	
Quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state.	Irregular expenditure will be included in the notes to the financial statements and referred to the Section 32 Committee.
Bid specifications were not always drafted by the bid specification committees which consisted of one or more officials of the municipality.	Bid specification committee will compile bid specifications.
Bid adjudication was not always done by committees which were formed in accordance with SCM regulations.	Irregular expenditure will be included in the notes to the financial statements and referred to the Section 32 Committee.
The performance of contractors or providers was not monitored on a monthly basis.	Contract performance monitoring in terms of MFMA sec 116(2) will be done.
Bids were not always evaluated by bid evaluation committees which were composed of at least one SCM practitioner of the municipality.	Irregular expenditure will be included in the notes to the financial statements and referred to the Section 32 Committee.
Human Resource Management and Compensation	
The Municipal Managers and senior managers directly accountable to the MM did not sign performance agreements.	The Performance agreements has now been signed for the 2013/ 2014 financial year.
Expenditure Management	
Sufficient appropriate audit evidence could not be obtained that payments had always been approved by the accounting officer or a properly authorized official, as required.	Discussions on options with primary bank institution will take place to obtain original cheques and Controls will be compiled to ensure that cheques are filed for audit purposes.
Conditional Grants	



Chapter 6: Auditor-General Opinion

2012/13	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
The municipality did not submit quarterly performance reports to the transferring national officer, the Provincial Treasury and National Treasury, within 30 days after the end of each quarter.	Internal controls were implemented to ensure that performance reporting will take place with effect of the second quarter of the 2013/14 financial year.
Consequences Management	
Unauthorized expenditure incurred by the municipality was not investigated to determine if any person in liable for expenditure.	
Irregular expenditure incurred by the municipality was not investigated to determine if any person in liable for expenditure.	A section 32 Committee has now been established and has already met a couple of times during the first 6 months of the 2013/ 2014 financial year.
Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person in liable for expenditure.	
Internal Control	
A serious leadership instability resulted in a lack of consequences for poor performance and records. transgressions, leadership not implementing a credible action plan to address the root causes of audit finding previously reported and not taking ownership to improve deficiencies in internal controls. The failure to appoint skilled individuals in critical positions at the finance unit further hindered the establishment of an effective internal control environment, resulting in an over reliance on consultants by the municipality to facility the preparations of its financial records. This was done without interrogating and monitoring outputs against initially set objective adding to the deficiencies identified in the financial statement disclosures.	A number of critical posts has been filled in the financial services department.
The leadership of the Municipality did not implement a performance management system in line with the requirements of the MSA to facilitate the clarification of roles and responsibilities, to guide staff to effectively carry out their duties and to monitor the performance of staff. This was a result of leadership instability at the municipality during the year, impacting on the implementation of a performance management system in a timely manner.	The performance management system has been implemented but not properly managed. There are a vast improvement in this regard for the 2013/14 financial year and the system will be cascaded down in the next 2 years.
The leadership did not oversee compliance with laws and regulations and did not exercise oversight to prevent irregular, fruitless as well as wasteful and unauthorized expenditure.	With the appointments of senior managers now in place the compliance challenges will be addressed.
Management did not identify and mitigate the risk of unauthorised expenditure, as part of its budget and expenditure management. This was as a result of an effective internal monitoring system to monitor expenditure on votes and whether the desired	With the appointments of senior managers now in place together with the filling of critical posts the challenges in this regard will be addressed.



Chapter 6: Auditor-General Opinion

2012/13	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
objectives were being achieved to limit the risk of incurring unauthorised expenditure.	
The internal process of the municipality did not adequately address the processes pertaining to the reporting of performance information, as well as compliance with laws and regulations. The budget of the municipality was overspent, the municipality incurred unauthorised, irregular as well as fruitless and wasteful expenditure, and the annual report was not submitted on time while the report on predetermined objectives was not submitted for audit purposes. This occurred as a result of the weak internal control environment prevalent at the municipality.	With the appointments of senior managers now in place the compliance challenges will be addressed.
Financial and performance management	
The monitoring of key financial disciplines in relation to daily transactions, record keeping, monitoring the key controls in relation to the daily recording and processing of those transactions and timely performance and review of critical reconciliations in relation to those transactions, which results in the accurate reporting thereof, did not occur. Furthermore, the finance unit lacks adequate, critical financial management and accounting skills. This impacts the municipality's ability to account for transactions, accurately, completely and in a timely manner, resulting in unreliable, inaccurate and incomplete financial records.	With the appointments of senior managers now in place together with the filling of critical posts the challenges in this regard will be addressed.
The performance of contractors and the status of accounting functions that is contracted out are not reviewed and effectively monitored by management. Corrective action with regards to reconciliations performed by consultants was not overseen by management.	With the appointments of senior managers now in place together with the filling of critical posts the challenges in this regard will be addressed.
Governance	
The municipality does not have a integrated management strategy and risk assessment plan and consequently the risk of not achieving clean administration was not identified.	With the appointments of senior managers now in place together with the filling of critical posts the challenges in this regard will be addressed.
Investigations	
Two investigations into alleged irregularities concerning the non-compliance with supply chain management processes were in progress at year end.	Still in progress.
A forensic investigation into cash shortages on pre-paid electricity was completed during the financial year under review. The investigation resulted in criminal proceedings being instituted against the employee.	The matter has been resolved and the official was fired and has also paid back an amount of R578 040-00 on 5 December 2013.



Chapter 6: Auditor-General Opinion

2012/13	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
An investigation was carried out with regard to collusion by councillors with developers and illegal interventions in the administration by the previous mayor. The outcome of the SIU investigation that ensued is yet known.	Still awaiting the SIU report.

Table 222.: AG Report 2012/13

6.2 Auditor General Report 2013/14

2013/14	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
<u>Financial Statements</u>	
<u>Material losses/impairments</u>	
The Municipality suffered a significant electricity loss amounting to 6 611 828 kilowatt units (12.9%) as a result of normal production losses.	A system of physically check pre-paid meters with low or zero consumption will be implemented and a total meter audit will be done during 2014/2015.
Receivables from exchange transactions have been significantly impaired. The impairment of receivables from exchange transactions amounts to approximately R16.1 million (67.7%).	The payment ratio of more than 100% was the main contributing factor for the impairment of the exchange transactions
Receivables from non-exchange transactions have been significantly impaired. The impairment of receivables from non-exchange transactions amounts to approximately R21.4 million (81.88%).	The implementation of traffic fine impairment provision according I GRAP 1 was the main reason.
<u>Material under spending of the budget</u>	
The municipality has materially underspent its capital budget by approximately R8.4 million.	The effluent pipeline for the Swellemdan Waste Water Treatment Works could not be completed due to land issues and is only commence in the 2014/2015 financial year. The RBIG grant has be roll over in the adjustment budget for 2014/2015 in August 2014.
<u>Compliance with legislation</u>	
<u>Audit Committee</u>	
The audit committee did not advise the accounting officer on matters relating to compliance with legislation, as required by section 166(2)(a)(vii) of the MFMA.	The audit committee operates in full since July 2014 in accordance with the prescriptions of the MFMA and has provided the necessary prescribed reports to the CFO for the 2014/2015 financial year. The corrective steps has thus already been taken.
<u>Internal Audit</u>	
The internal audit unit did not function as required by section 165(2) of the MFMA, in that:	The Internal Audit Unit was only established on 1 February 2014 and operates in accordance with the MFMA. The corrective steps has been taken for the 2014/ 2015 financial year. An risk based audit plan is



Chapter 6: Auditor-General Opinion

2013/14	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
<ul style="list-style-type: none"> ✚ It did not prepare a risk-based audit plan and an internal audit programme for the financial year under review. ✚ It did not report to the audit committee on the implementation of the internal audit plan. 	in place for 2014/ 2015 and the necessary reports are been tabled to the Audit Committee.
The internal audit unit did not advise the accounting officer and report to the audit committee on matters relating to compliance with the MFMA, DoRA and other applicable legislation, as required by section 165(2)(b)(vii) of the MFMA.	The Internal Audit Unit was only established on 1 February 2014 and operates in accordance with the MFMA. The corrective steps has been taken for the 2014/ 2015 financial year. The IA unit is advising the AC and are reporting to the Audit Committee since July 2014.
Procurement and contract management	
Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by the Municipal Supply Chain Management Regulations, 2005 regulation 13(c).	The declaration on whether a bidder are employed by the state is immediately implemented for all contracts on 2014/2015.
<u>Internal Control</u>	
Oversight responsibility	
Although many of the root causes of the findings previously reported have been largely addressed, oversight of the report on predetermined objectives and compliance with laws and regulations was not exercised in all instances as the processes implemented at the municipality did not prevent deficiencies in these areas. Leadership should ensure that the framework for monitoring and enforcing controls at the municipality are strengthened.	The necessary controls is in place and are reviewed regularly. A number of internal office instructions has been issued to staff and a number of new policies has been implemented. An electronic compliance system has been implemented as from 1 December 2014.
Financial and performance management	
<p>The municipality lacked proper record keeping and record management system for filing of information supporting performance reporting relating to the key performance indicator: Hold road blocks to decrease incidents affecting traffic safety, resulting in information supporting disclosures in the report on predetermined objectives not being available.</p> <p>Information was not identified and captured in a timely manner and form to support performance reporting for this key performance indicator.</p>	The necessary record keeping is in place. The Internal Audit Unit audit the results on a quarterly basis to ensure compliance.
Sufficient review processes to ensure the reliability of the actual achievements per the annual performance report have not yet been implemented because some misstatements identified during the audits were subsequently corrected. Management has not yet fully implemented sufficient validation	The Internal Audit Unit audit the results on a quarterly basis to ensure compliance.
Management did not ensure the reliability of the compliance monitoring framework is implemented at	An electronic compliance system has been implemented as from 1 December 2014.



Chapter 6: Auditor-General Opinion

2013/14	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
the municipality to review and monitor compliance with applicable laws and regulations, resulting in non-compliance with laws and regulations in respect of procurement and contract management,	
Governance	
The audit committee did not advise the municipal council, the political bearers, the accounting officer and the management staff of the municipality on matters relating to compliance with the MFMA, DoRA and other applicable legislation. This was as a result of the internal audit unit not preparing a risk-based audit plan, not reporting to the audit committee on matters relating to legislative compliance applicable to the municipality and not reporting to the audit committee on the implementation of the internal audit plan for the period under review.	The audit committee operates in full since July 2014 in accordance with the prescriptions of the MFMA and will provide the council, political office bearers, the Accounting Officer and management on matters relating to compliance as per the legislative requirements. As already said above, a risk based audit plan has been approved for the 2014/ 2015 financial year. The corrective steps have thus already been taken.

Table 223.: AG Report 2013/14



ABBREVIATIONS

LIST OF ABBREVIATIONS

AG	Auditor-General
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal Finance Officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000
MTECH	Medium Term Expenditure Committee
NGO	Non-governmental organisation



ABBREVIATIONS

NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

